

***United States Court of Appeals  
for the Second Circuit***



**MOTION TO  
DISMISS**





UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

In Re

GANNETT CO., INC.,

Petitioner,

-vs-

HON. HAROLD P. BURKE, Judge of  
the United States District Court,  
Western District of New York,

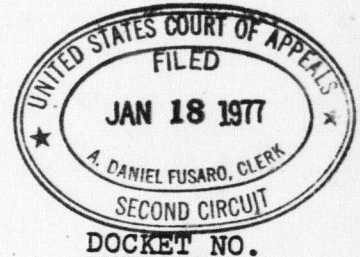
THE UNITED STATES OF AMERICA,

LLOYD GEORGE PARRY,  
GREGORY A. BALDWIN,  
DEPARTMENT OF JUSTICE ATTORNEYS

and

JOHN R. PARRINELLO,  
MICHAEL W. ROCHE,  
DANIEL L. BOOKLESS,  
DONALD R. DILENO,

Respondents.



76-3085

B  
P/S

MOTION FOR LEAVE TO FILE PETITION,  
AND PETITION FOR WRIT OF MANDAMUS  
OR WRIT OF PROHIBITION DIRECTED TO  
THE UNITED STATES DISTRICT COURT  
FOR THE WESTERN DISTRICT OF NEW  
YORK.

NIXON, HARGRAVE, DEVANS & DOYLE  
By John B. McCrory  
Attorneys for Petitioner  
Office and Post Office Address  
Lincoln First Tower  
Rochester, New York 14603  
Telephone: (716) 546-8000

UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

	:
<u>In Re</u>	:
GANNETT CO., INC.,	:
	:
Petitioner,	:
	:
-vs-	:
	:
HON. HAROLD P. BURKE, Judge of the United States District Court, Western District of New York,	:
	:
THE UNITED STATES OF AMERICA,	:
	:
LLOYD GEORGE PARRY, GREGORY A. BALDWIN, DEPARTMENT OF JUSTICE ATTORNEYS	:
	:
and	:
	:
JOHN R. PARRINELLO, MICHAEL W. ROCHE, DANIEL L. BOOKLESS, DONALD R. DILENO,	:
	:
Respondents.	:

MOTION  
DOCKET NO.  
76-3085

MOTION FOR LEAVE TO FILE PETITION  
FOR WRIT OF MANDAMUS OR WRIT OF  
PROHIBITION DIRECTED TO THE UNITED  
STATES DISTRICT COURT FOR THE  
WESTERN DISTRICT OF NEW YORK.

Gannett Co., Inc., petitioner herein, by Nixon,  
Hargrave, Devans & Doyle, its attorneys, moves this Court:

1. For leave to file the Petition annexed hereto  
for a writ of mandamus or a writ of prohibition directed to  
the United States District Court for the Western District of  
New York.



2. Upon granting such leave, and after due deliberation, to issue a writ of mandamus or a writ of prohibition to said United States District Court in accordance with the prayer of the Petition.

Dated: December 29, 1976

NIXON, HARGRAVE, DEVANS & DOYLE

By

*John B. McCrory*  
John B. McCrory  
Attorneys for Petitioner  
Lincoln First Tower  
Rochester, New York 14603  
Telephone: (716) 546-8000

TO: HON. HAROLD P. BURKE  
Judge of the United States District  
Court for the Western District of New York  
United States Courthouse  
Rochester, New York 14614

ATTORNEY GENERAL OF THE UNITED STATES  
OF AMERICA  
Washington, D.C. 20544

RICHARD J. ARCARA, ESQ.  
United States Attorney in and for  
the Western District of New York  
502 United States Courthouse  
Buffalo, New York 14202

LLOYD GEORGE PARRY, ESQ.  
Department of Justice Attorney  
Organized Crime Strike Force  
921 Genesee Building  
Buffalo, New York 14202

GREGORY A. BALDWIN, ESQ.  
Department of Justice Attorney  
Organized Crime Strike Force  
100 State Street  
Rochester, New York 14614

EDWARD M. SHAW, ESQ.  
Attorney for John R. Parrinello  
522 Fifth Avenue  
New York, New York 10036

GEORGE W. CONATY, JR., ESQ.  
Attorney for Michael W. Roche  
260 Reynolds Arcade Building  
Rochester, New York 14614

JOHN SPERANZA, ESQ.  
Attorney for Daniel L. Bookless  
321 Executive Office Building  
Rochester, New York 14614

NEWMAN & NEWMAN, ESQ.  
Attorneys for Donald R. Dileo  
740 Leader Boulevard  
Cleveland, Ohio 44144

ANTHONY R. PALERMO, ESQ.  
Of Counsel for Donald R. Dileo  
100 Reynolds Arcade Building  
Rochester, New York 14614



UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

<u>In Re</u>	:
GANNETT CO., INC.,	:
Petitioner,	:
-vs-	:
HON. HAROLD P. BURKE, Judge of the United States District Court, Western District of New York,	:
THE UNITED STATES OF AMERICA,	:
LLOYD GEORGE PARRY, GREGORY A. BALDWIN, DEPARTMENT OF JUSTICE ATTORNEYS	:
and	:
JOHN R. PARRINELLO, MICHAEL W. ROCHE, DANIEL L. BOOKLESS, DONALD R. DILENO,	:
Respondents.	:

PETITION

PETITION FOR WRIT OF MANDAMUS OR  
WRIT OF PROHIBITION DIRECTED TO THE  
UNITED STATES DISTRICT COURT FOR  
THE WESTERN DISTRICT OF NEW YORK.

Gannett Co., Inc., petitioner herein, by Nixon, Hargrave, Devans & Doyle, its attorneys, petitions this Court to issue a writ of mandamus and/or a writ of prohibition, directed to the Honorable Harold P. Burke, Judge of the United States District Court for the Western District of New York, and shows as follows:

## I. JURISDICTION

Jurisdiction to grant a writ of mandamus or a writ of prohibition directed to the United States District Court, sought by petitioner herein, is conferred upon this Court by the provisions of Section 1651(a), Title 28, United States Code, and by Rule 21 of the Federal Rules of Appellate Procedure for United States Courts of Appeals.

## II. ISSUES PRESENTED

(1) Whether this Court has jurisdiction to issue a writ of mandamus or a writ of prohibition, directed to the United States District Court for the Western District of New York, upon the ground that said Court has exceeded its powers in ordering the sealing to the public and to the press, on or about December 8, 1976, of all papers filed in pending criminal actions entitled United States v. Parrinello and Roche (CR. 76-51), United States v. Bookless (CR. 75-245), and United States v. Dilenio (CR. 75-238), (hereafter "the criminal actions"), in that there is no appeal from said oral order to the Court of Appeals for the Second Circuit.

(2) Whether the United States District Court lacked authority to issue its oral order sealing said official records.



(3) Whether this Court should issue a writ of mandamus or a writ of prohibition to prevent further enforcement of said oral order.

(4) Whether the United States District Court acted arbitrarily, capriciously, and in excess of its authority when, in violation of the constitutional and common law rights of the public and press to public trials and to freedom of the press, it directed the sealing to the public and the press of all papers filed in the criminal actions as official records filed in the United States District Court for the Western District of New York.

(5) Whether the issuance of an oral order prohibiting the public and the press from examining the files in the criminal actions, issued without notice to the press, without an evidentiary hearing, without findings of fact justifying its terms, and without entry of a written order, deprived the press and the public of their common law, First Amendment and Sixth Amendment rights without due process of law.

### III. CONSTITUTIONAL PROVISIONS AND STATUTES

#### (A) Constitutional Provisions

The First Amendment to the United States Constitution provides:



"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances."

The Sixth Amendment to the United States Constitution provides:

"In all criminal prosecutions, the accused shall enjoy the right to a speedy and public trial, by an impartial jury of the State and district wherein the crime shall have been committed, which district shall have been previously ascertained by law, and to be informed of the nature and cause of the accusation; to be confronted with the witnesses against him; to have compulsory process for obtaining Witnesses in his favor, and to have the Assistance of Counsel for his defence."

(B) Statutes

The All Writs Act, 28 U.S.C. § 1651(a) (1948), provides:

"The Supreme Court and all courts established by Act of Congress may issue all writs necessary or appropriate in aid of their respective jurisdictions and agreeable to the usages and principles of law."

Rule 21 of the Federal Rules of Appellate Procedure for United States Courts of Appeals provides:

"(a) Application for a writ of mandamus or of prohibition directed to a judge or judges shall be made by filing a petition therefor with the clerk of the court of appeals with proof of service on the respondent judge or judges and on all parties to the action in the trial court. The petition shall contain

a statement of the facts necessary to an understanding of the issues presented by the application; a statement of the issues presented and of the relief sought; a statement of the reasons why the writ should issue; and copies of any order or opinion or parts of the record which may be essential to an understanding of the matters set forth in the petition. Upon receipt of the prescribed docket fee, the clerk shall docket the petition and submit it to the court."

"(b) If the court is of the opinion that the writ should not be granted, it shall deny the petition. Otherwise, it shall order that an answer to the petition be filed by the respondents within the time fixed by the order....The proceeding shall be given preference over ordinary civil cases."

#### IV. STATEMENT OF FACTS

1. This petition is filed pursuant to the authority to issue extraordinary writs vested in this Court by the provisions of Section 1651(a), Title 28, United States Code, and Rule 21 of the Federal Rules of Appellate Procedure for United States Courts of Appeals, to review the oral order of the United States District Court for the Western District of New York, entered on or about December 8, 1976, in which said District Court ordered the sealing to the public and to the press of all papers filed in three pending criminal actions, entitled United States v. Parrinello and Roche (CR. 76-51), United States v. Bookless (CR. 75-245) and United States v. Dilenio (CR. 75-238).



2. The following documents are annexed hereto as Exhibits:

- (A) Indictment - United States of America vs. John R. Parrinello and Michael W. Roche.
- (B) Indictment - United States of America vs. Daniel L. Bookless.
- (C) Indictment - United States of America vs. Donald R. Dilenno.
- (D) Newspaper articles concerning Federal criminal charges against John R. Parrinello, Michael W. Roche, Daniel L. Bookless and Donald R. Dilenno.
- (E) Government's answer to defendant Parrinello's demand for a witness list.
- (F) Letter addressed to Hon. Harold P. Burke, signed by Edward M. Shaw, dated November 4, 1976.
- (G) Times-Union newspaper article, entitled "Witness Reluctant to Testify in Parrinello Case, Strike Force Says," dated November 30, 1976.
- (H) Democrat and Chronicle newspaper article, entitled "Brief - Victim Silent after Parrinello Visit," dated December 1, 1976.
- (I) Affidavit of Nancy Kreisler, dated December 28, 1976.

Parties

3. Petitioner is a corporation, duly incorporated and existing under the laws of the State of Delaware, with its principal offices located at 55 Exchange Street, Rochester, New York 14604.

4. Petitioner owns and operates, inter alia, the following newspapers and television stations:

(a) The Democrat and Chronicle, a daily and Sunday morning newspaper of general circulation in the greater Rochester area and western New York, published in Rochester, New York, by petitioner.

(b) The Times-Union, a daily afternoon newspaper of general circulation in the greater Rochester area and western New York, published in Rochester, New York, by petitioner.

(c) Channel 10-T.V. (WHEC-TV), a VHF television station, which broadcasts in Rochester, New York, to a broadcast area covering the greater Rochester area and western New York.

5. Respondent Honorable Harold P. Burke is a United States District Court Judge for the Western District of New York, at Rochester, New York, presiding over criminal proceedings pending in the United States District Court for the Western District of New York, in the criminal actions.

6. Respondent John R. Parrinello, an attorney and a former Vice Mayor and former member of the Rochester City Council, and respondent Michael W. Roche, also a former member of the Rochester City Council, are the defendants in United States v. Parrinello and Roche (CR. 76-51). They are



charged with conspiracy, bribery and mail fraud in connection with alleged kickbacks from Building Systems Housing Corp., an Ohio construction firm which contracted to build more than \$35 million dollars worth of public housing in the City of Rochester at the time Parrinello was Vice Mayor and both Parrinello and Roche were members of the Rochester City Council. (See Exhibit A).

7. Respondent Daniel L. Bookless, a carpet salesman for Imperial Floor Fashions, Rochester, New York, is the defendant in United States v. Bookless (CR. 75-245). He is charged with four counts of perjury arising out of his testimony before a Federal grand jury investigating the payment of alleged kickbacks to Parrinello and his law partner, John Redmond. (See Exhibit B).

8. Respondent Donald R. Dileno, a former housing project officer for Building Systems Housing Corp., Cleveland, Ohio, is the defendant in United States v. Dileno (CR. 75-238). He is charged with four counts of conspiracy and using interstate travel with the intent to distribute proceeds of illegal commercial bribes. (See Exhibit C).

9. Respondents Lloyd George Parry and Gregory A. Baldwin are Department of Justice attorneys in charge of the prosecution of the criminal actions on behalf of the United States of America, are associated with the Federal Organized

Crime Strike Force, and each are residents within the territorial jurisdiction of the United States District Court for the Western District of New York.

Facts

10. On or about October 15, 1975, defendant Dileno was indicted by a Federal grand jury for taking \$116,000 in bribes in return for awarding contracts to local Rochester companies while he was area project manager for Building Systems Housing Corp., a Cleveland, Ohio corporation, which was the general contractor for several public housing projects in the City of Rochester, with a total contract value of more than \$35 million.

11. On or about November 3, 1975, defendant Bookless was indicted by a Federal grand jury for perjury committed before a Federal grand jury. He is accused of lying about arrangements to provide free carpeting for respondents Dileno and Parrinello, and Parrinello's law partner, John F. Redmond.

12. On or about December 20, 1975, defendant Bookless was shot in the head at close range and apparently left for dead in his car. However, despite the wound, Bookless was able to drive himself to a hospital and eventually recovered.



13. On or about April 13, 1976, defendants Parrinello and Roche were indicted by a Federal grand jury, charged with conspiracy to defraud and extorting payments from Building Systems Housing Corp. or its subsidiaries, by improperly utilizing their elected positions of trust in the City of Rochester government.

14. Petitioner and its reporters expended great amounts of time, effort and other resources in observing and reporting the investigation of the crimes alleged, as well as attending pre-trial proceedings in the criminal actions. Samples of the published newspaper articles on the subject by petitioner's reporters, who observed pre-trial proceedings in each case, are attached as Exhibit D.

15. The crimes allegedly committed involved various charges of extortion, conspiracy, bribery, mail fraud and perjury related, directly or indirectly, to contracts for the construction of \$35 million of public housing projects in Rochester, New York. These matters have generated enormous public interest, especially in view of the claims of misuse of public office by elected City officials and overtones of organized crime involvement.

16. On July 26, 1976, based upon United States v. Cannone, 528 F. 2d 296 (2d Cir. 1975), defendant Parrinello orally requested the trial court (Hon. Harold P. Burke) to

order the Government to provide him with a list of prosecution witnesses which the Government intended to call at trial.

17. On September 8, 1976, the Government submitted and filed with the Court a brief, entitled "Government's Answer to Defendant Parrinello's Demand for a Witness List" (Exhibit E), in opposition to the Parrinello motion. It was stated therein that witnesses scheduled to appear at the Parrinello and Roche trial had expressed reluctance to testify in the criminal action based upon fear of economic and physical retribution. Two specific examples were set forth. Also published therein, for the first time, was the fact that Parrinello had visited Bookless at the hospital following the shooting.

18. On November 4, 1976, counsel for Parrinello, Edward M. Shaw, Esq., submitted a letter reply (Exhibit F) to Judge Burke claiming that the Government's position was "both false and extraordinarily prejudicial" to his client.

19. On November 19, 1976, Judge Burke denied Parrinello's motion to compel the Government to provide a list of prosecution trial witnesses.

20. Both the Government brief and the reply letter were filed in the United States v. Parrinello and Roche (CR. 76-51) and the United States v. Bookless



(CR. 76-245) files of said United States District Court, at Rochester. However, neither document came to the attention of petitioner's reporters until mid-November, 1976. Thereafter, on November 30, 1976, in the Times-Union (Exhibit G), and on December 1, 1976, in The Democrat and Chronicle (Exhibit H), the fact of filing and the substance contained in the documents were published by petitioner to the public.

21. Prior to publication of these articles, on November 29, 1976, a Times-Union reporter went to Judge Burke's chambers, displayed the Government brief (Exhibit E) and the Shaw letter (Exhibit F) to Judge Burke's secretary, Janet E. Mulley, and asked if those documents were available to the public and to the press. Mrs. Mulley stated that the criminal files were not sealed, and informed the reporter that said brief and letter were duly filed with the District Court as public documents.

22. On December 8, 1976, reporters for both The Democrat & Chronicle and the Times-Union were informed that the Parrinello and R and the Bookless files had been sealed by oral order of Judge Burke. To confirm the information, both reporters went to Judge Burke's chambers and asked Mrs. Mulley whether the files in those two pending criminal proceedings were sealed to the public and the press. Mrs. Mulley stated that, at the oral direction of

Judge Burke, three criminal action files had been sealed and closed to public scrutiny and inspection. Upon questioning, Mrs. Mulley confirmed that Judge Burke had directed the Dileno, the Parrinello and Roche, and the Bookless files to be sealed. When asked if there was a written order sealing the files, Mrs. Mulley stated that there was not. She also stated that respondent Baldwin had submitted a written request to Judge Burke to seal the files, and that the Baldwin letter of request was also sealed and unavailable for public inspection. (See Exhibit I).

23. Subsequent inquiries by petitioner's attorneys herein have confirmed that the files in United States v. Parrinello and Roche (CR. 76-51), United States v. Bookless (CR. 75-245), and United States v. Dileno (CR. 75-238) are indeed sealed and closed to the public and to the press pursuant to the oral order of respondent Judge Burke.

V. REASONS RELIED UPON FOR ALLOWANCE OF THE WRITS

24. The relief sought herein is not otherwise available and there is no adequate remedy in the United States District Court or any other Court. Only the Court of Appeals has jurisdiction to review an order of a District Court of the type presented here.



25. Since any delay in publication of news causes substantial and irreparable harm to petitioner and to the public, one of the writs sought herein should timely issue on an expedited basis from this Court.

26. The matter involved is of substantial public importance since it concerns fundamental constitutional rights, freedom of press and the right of the public and the press to free and open pre-trial proceedings and trials.

27. A full statement of the legal authorities supporting the application for issuance of the writs is set forth in the accompanying MEMORANDUM OF LAW IN SUPPORT OF THE PETITION FOR WRIT OF MANDAMUS OR WRIT OF PROHIBITION TO THE UNITED STATES DISTRICT COURT FOR THE WESTERN DISTRICT OF NEW YORK, incorporated herein by reference.

WHEREFORE, petitioner requests this Court to:

1. Direct respondents to file answers to the Petition within a time to be fixed by this Court, on an expedited basis commensurate with the continuing irreparable and substantial harm to the public and to petitioner, and in accord with the provisions of Rule 21(b) of the Federal Rules of Appellate Procedure, which mandate that a proceeding such as this "shall be given preference over ordinary civil cases;"

2. Fix a time, on an expedited basis, for oral argument of the application herein for a writ of mandamus or a writ of prohibition;

3. Issue a writ of mandamus or writ of prohibition, directed to the United States District Court for the Western District of New York, ordering that Court to unseal and make open and available to petitioner and to the public the judicial records and files in United States v. Parrinello and Roche (CR. 76-51), United States v. Bookless (CR. 75-245), and United States v. Dileo (CR. 75-283); and

4. Grant such other relief as may be appropriate.

Dated: December 29, 1976

NIXON, HARGRAVE, DEVANS & DOYLE

By John B. McCrory  
John B. McCrory  
Attorneys for Petitioner  
Lincoln First Tower  
Rochester, New York 14603  
Telephone: (716) 546-8000



In the District Court of the United States  
For the Western District of New York

THE UNITED STATES OF AMERICA

-vs-

JOHN R. PARRINELLO  
MICHAEL W. ROCHE

October 1974 Session

No.

Via 18 U.S.C. §§1951,  
1341 and 371

COUNT I

The Grand Jury charges:

1. From on or about the first day of January, 1970, and continuously thereafter up to and including the first day of January, 1975, in the Western District of New York and elsewhere, JOHN R. PARRINELLO and MICHAEL W. ROCHE, the defendants herein, and others did unlawfully, wilfully and knowingly combine, conspire, confederate and agree together and with each other to commit an offense against the United States, that is, to obstruct, delay and affect commerce between points within the Western District of New York and other places outside the State of New York by extortion.

2. It was further part of the said conspiracy that JOHN R. PARRINELLO and MICHAEL W. ROCHE would and did utilize their positions of public trust as elected members of the Common Council of the City of Rochester, New York, to obtain and attempt to obtain approximately \$16,799, paid as insurance commissions, from Building Systems, Incorporated, and its subsidiaries, and would and did deprive the said corporation and its subsidiaries of the right to freely contract with an insurance agency of their choice, and would and did deprive the Bercu Insurance Agency of the right to solicit business from and to contract with Building Systems, Incorporated, and its subsidiaries,

which corporation and its subsidiaries and which insurance agency were engaged in interstate commerce as aforesaid, with the consent of the agent and representative of Building Systems, Incorporated, and its subsidiaries, such consent having been induced by the wrongful use of fear of economic harm and under color of official right.

3. It was further part of the said conspiracy that JOHN R. PARRINELLO and MICHAEL W. ROCHE would and did utilize their positions of public trust as elected members of the Common Council of the City of Rochester, New York, to obtain and attempt to obtain approximately \$65,300 from Building Systems, Incorporated, and its subsidiaries, which corporation and its subsidiaries were engaged in interstate commerce as aforesaid, with the consent of the agent and representative of the said corporation and its subsidiaries, such consent having been induced by the wrongful use of fear of economic harm and under color of official right.

#### OVERT ACTS

And in furtherance of the said conspiracy and in order to effectuate the object and purpose thereof, the said defendants did commit among others the following overt acts:

- ✓ 1. On or about July 2, 1971, JOHN R. PARRINELLO attended a meeting with Alan Gressel in Cleveland, Ohio.
- ✓ 2. On or about March 27, 1972, JOHN R. PARRINELLO caused a bill in the amount of \$21,766.66 to be sent via the United States mail to City Plumbing and Heating Company of Cleveland, Ohio.
- ✓ 3. On or about August 30, 1972, JOHN R. PARRINELLO endorsed check #2573 from the law firm of Kohrman and Jackson which was payable in the amount of \$21,767.00 to the law firm of Redmond and Parrinello.



4. On or about November 3, 1971, MICHAEL W. ROCHE endorsed check #1854 from Dick Kraft Insurance Associates which was payable in the amount of \$1,412.18 to MICHAEL W. ROCHE.

5. On or about January 7, 1972, MICHAEL W. ROCHE endorsed check #1949 from Dick Kraft Insurance Associates which was payable in the amount of \$3,270.45 to MICHAEL W. ROCHE.

6. On or about May 10, 1972, MICHAEL W. ROCHE endorsed check #2092 from Dick Kraft Insurance Associates which was payable in the amount of \$2,011.73 to MICHAEL W. ROCHE.

7. On or about January 8, 1974, MICHAEL W. ROCHE endorsed check #1006 from Dick Kraft Insurance Associates which was payable in the amount of \$2,899.87 to MICHAEL W. ROCHE.

--- All in violation of Title 18, United States Code, Section 1951.

COUNT II

The Grand Jury further charges:

That on or about August 28, 1972, in the Western District of New York and elsewhere, JOHN R. PARRINELLO, the defendant herein, did unlawfully obstruct, delay and affect commerce between points within the Western District of New York and other places outside the State of New York by extortion in that JOHN R. PARRINELLO did obtain approximately \$21,767 from Building Systems, Incorporated, and its subsidiaries, which corporation and its subsidiaries were engaged in interstate commerce as aforesaid, with the consent of the agent and representative of the said corporation and its subsidiaries, such consent having been induced by the wrongful use of fear of economic harm and under color of official right.

All in violation of Title 18, United States Code, Sections 1951 and 2.

COUNT III

The Grand Jury further charges:

That during the period between approximately September 29, 1971, and approximately January 4, 1974, the exact dates being to the Grand Jurors unknown, in the Western District of New York and elsewhere, JOHN R. PARRINELLO and MICHAEL W. ROCHE, the defendants herein, did unlawfully obstruct, delay and affect commerce between points within the Western District of New York and other places outside the State of New York by extortion in that JOHN R. PARRINELLO and MICHAEL W. ROCHE did obtain approximately \$16,799, paid as insurance commissions, from Building Systems, Incorporated, and its subsidiaries, and did deprive the said corporation and its subsidiaries of the right to freely contract with an insurance agency of its choice, and did deprive the Bercu Insurance Agency of the right to solicit business from and to contract with Building Systems, Incorporated, and its subsidiaries, which corporation and its subsidiaries and which insurance agency were engaged in interstate commerce as aforesaid, with the consent of the agent and representatives of Building Systems, Incorporated, and its subsidiaries, such consent having been induced by the wrongful use of fear of economic harm and under color of official right.

All in violation of Title 18, United States Code, Sections 1951 and 2.

COUNT IV

The Grand Jury further charges:

1. From on or about the first day of January, 1970, and continuously thereafter up to and including the first day of January, 1975, in the Western District of New York and elsewhere, JOHN R. PARRINELLO, the defendant herein, devised and intended to devise a scheme and artifice to defraud



the taxpayers, voters and citizens of the City of Rochester, New York, which scheme and artifice to defraud was in substance as follows:

2. It was part of the said scheme and artifice to defraud that JOHN R. PARRINELLO would and did improperly utilize his position of public trust as an elected member of the Common Council of the City of Rochester, New York, to solicit, compel, importune and procure from Building Systems, Incorporated, and its subsidiaries of Cleveland, Ohio, a promise to pay the law firm of Redmond and Parrinello the sum of \$65,300, the said payment to be made in three separate installments of approximately \$21,767 each, for the purpose of corruptly influencing the official vote, opinion, judgment, action, decision and exercise of discretion of JOHN R. PARRINELLO as a public servant without making such proposed and actual payments of money known to the taxpayers, voters and citizens of the City of Rochester, New York.

3. It was further part of the said scheme and artifice to defraud that JOHN R. PARRINELLO, through the improper utilization of his position of public trust as an elected member of the Rochester Common Council, would and did secretly realize private financial gain and thereby would and did deprive the taxpayers, voters and citizens of the City of Rochester, New York, of the faithful, honest and impartial performance of his duties and responsibilities as a public servant and elected representative, and further, would and did deprive the said taxpayers, voters and citizens of their right to know that the said defendant would and did receive such payments as aforesaid.

4. And, for the purposes of executing and attempting to execute the said scheme and artifice to defraud, on numerous occasions during the period aforesaid, the exact dates being to the Grand Jurors unknown, JOHN R. PARRINELLO unlawfully and wilfully did place and cause to be placed in post offices and

authorized depositories for mail matter and did receive and cause to be received therefrom certain matters and things to be sent and delivered by the United States Postal Service and knowingly caused to be delivered by mail according to the directions thereon and at the places at which they were directed to be delivered by the persons to whom addressed such matters and things, being more particularly described as:

- (a) A bill dated March 27, 1972, in the amount of \$21,766.66 from the law firm of Redmond and Parrinello of Rochester, New York, to City Plumbing and Heating Company of Cleveland, Ohio, which bill was mailed from the law firm of Redmond and Parrinello to the offices of City Plumbing and Heating Company on or about March 27, 1972, and was thereafter delivered to and taken and received from the mails by City Plumbing and Heating Company.
- (b) Check #18786 dated August 23, 1972, in the amount of \$21,767.00 drawn on the account of Building Systems Housing Corporation and made payable to the law firm of Kohrman and Jackson, which check was mailed from Building Systems Housing Corporation of Cleveland, Ohio, to the law firm of Kohrman and Jackson of Cleveland, Ohio, on or about August 23, 1972, and was thereafter delivered to and taken and received from the mails by the law firm of Kohrman and Jackson.
- (c) Check #2573 dated August 28, 1972, in the amount of \$21,767.00 drawn on the account of the law firm of Kohrman and Jackson and made payable to the law firm of Redmond and



Parrinello, which check was mailed from the law firm of Kohrman and Jackson of Cleveland, Ohio, to the law firm of Redmond and Parrinello of Rochester, New York, on or about August 28, 1972, and was thereafter delivered to and taken and received from the mails by the law firm of Redmond and Parrinello.

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT V

The Grand Jury further charges:

1. From on or about the first day of January, 1970, and continuously thereafter up to and including the first day of January, 1975, in the Western District of New York and elsewhere, JOHN R. PARRINELLO and MICHAEL W. ROCHE, the defendants herein, devised and intended to devise a scheme and artifice to defraud the taxpayers, voters and citizens of the City of Rochester, New York, which scheme and artifice to defraud was in substance as follows:

2. It was part of the said scheme and artifice to defraud that JOHN R. PARRINELLO and MICHAEL W. ROCHE would and did improperly utilize their positions of public trust as elected members of the Common Council of the City of Rochester, New York, to solicit, compel, importune and procure from Building Systems, Incorporated, and its subsidiaries of Cleveland, Ohio, approximately \$16,799, paid as insurance commissions, for the purpose of corruptly influencing the official vote, opinion, judgment, action, decision and exercise of discretion of JOHN R. PARRINELLO and MICHAEL W. ROCHE as public servants without making such payments of money known to the taxpayers, voters and citizens of the City of Rochester, New York.

3. It was further part of the said scheme and artifice to defraud that MICHAEL W. ROCHE, through the improper utilization of his position of public trust as an elected member of the Rochester Common Council, would and did secretly realize private financial gain and thereby would and did deprive the taxpayers, voters and citizens of the City of Rochester, New York, of the faithful, honest and impartial performance of his duties and responsibilities as a public servant and elected representative, and further, would and did deprive the said taxpayers, voters and citizens of their right to know that the said defendant would and did receive such payments as aforesaid.

4. And, for the purpose of executing and attempting to execute the said scheme and artifice to defraud, on numerous occasions during the period aforesaid, the exact dates being to the Grand Jurors unknown, JOHN R. PARRINELLO and MICHAEL W. ROCHE unlawfully and wilfully did place and cause to be placed in post offices and authorized depositories for mail matter and did receive and cause to be received therefrom certain matters and things to be sent and delivered by the United States Postal Service and knowingly caused to be delivered by mail according to the directions thereon and at the places at which they were directed to be delivered by the persons to whom addressed, such matters and things being more particularly described as:

- (a) Check #2092 dated May 9, 1972, in the amount of \$2,011.73 drawn on the account of Dick Kraft Insurance Associates and made payable to MICHAEL W. ROCHE, which check was mailed by Dick Kraft Insurance Associates of Rochester, New York, to MICHAEL W. ROCHE of Rochester, New York, on or about May 9, 1972, and was thereafter delivered by the Postal Service and ultimately negotiated by MICHAEL W. ROCHE.



- (b) Check #2281 dated November 7, 1972, in the amount of \$1,866.40 drawn on the account of Dick Kraft Insurance Associates and made payable to MICHAEL W. ROCHE, which check was mailed by Dick Kraft Insurance Associates of Rochester, New York, on or about November 9, 1972, and was thereafter delivered by the Postal Service and ultimately negotiated by MICHAEL W. ROCHE.
- (c) Check #2640 dated September 9, 1973, in the amount of \$881.10 drawn on the account of Dick Kraft Insurance Associates and made payable to MICHAEL W. ROCHE, which check was mailed by Dick Kraft Insurance Associates of Rochester, New York, to MICHAEL W. ROCHE of Rochester, New York, on or about September 4, 1973, and was thereafter delivered by the Postal Service and ultimately negotiated by MICHAEL W. ROCHE.
- (d) Check #1006 dated January 3, 1974, in the amount of \$2,899.87 drawn on the account of Dick Kraft Insurance Associates and made payable to MICHAEL W. ROCHE, which check was mailed by Dick Kraft Insurance Associates of Rochester, New York, to MICHAEL W. ROCHE of Rochester, New York, on or about January 3, 1974, and was thereafter delivered by the Postal Service and ultimately negotiated by MICHAEL W. ROCHE.

- (e) Certain checks, drafts, correspondence, insurance applications, statements of loss, reports and memoranda concerning and relating to the purchase and maintenance of insurance coverage and claims thereunder which were mailed by Building Systems, Incorporated, and its subsidiaries of Cleveland, Ohio, to Dick Kraft Insurance Associates of Rochester, New York, and were thereafter delivered to and taken and received from the mails by Dick Kraft Insurance Associates.

All in violation of Title 18, United States Code, Sections 1341 and 2.

COUNT VI

The Grand Jury further charges:

From on or about the first day of January, 1970, and continuously thereafter up to and including the first day of January, 1975, in the Western District of New York and elsewhere, JOHN R. PARRINELLO and MICHAEL W. ROCHE, the defendants herein, and others did unlawfully, wilfully and knowingly combine, conspire, confederate and agree together and with each other to commit an offense against the United States, that is, to devise and intend to devise a scheme and artifice to defraud the taxpayers, voters and citizens of the City of Rochester, New York, with respect to the faithful, honest and impartial performance of the said defendants' duties and responsibilities as public servants and elected representatives, and, for the purposes of executing and attempting to execute the said scheme and artifice to defraud, on numerous occasions during the period aforesaid, the exact dates being to the Grand Jurors unknown, to unlawfully and wilfully cause certain matters and things, to wit,



checks, drafts, bills, correspondence, insurance applications, insurance policies and binders, to be placed in post offices and authorized depositories for mail matter and to be taken and received therefrom the said matters and things to be sent and delivered by the United States Postal Service and knowingly caused to be delivered by mail according to the directions thereon and at the places at which they were directed to be delivered by the persons to whom addressed the said matters and things, all in violation of Title 18, United States Code, Section 1341.

OVERT ACTS

And in furtherance of the said conspiracy and in order to effectuate the object and purpose thereof, the said defendants did commit among others the following overt acts:

1. On or about July 2, 1971, JOHN R. PARRINELLO attended a meeting with Alan Gressel in Cleveland, Ohio.
2. On or about March 27, 1972, JOHN R. PARRINELLO caused a bill in the amount of \$21,766.66 to be sent via the United States mail to City Plumbing and Heating Company of Cleveland, Ohio.
3. On or about August 30, 1972, JOHN R. PARRINELLO endorsed check #2573 from the law firm of Kohrman and Jackson which was payable in the amount of \$21,767.00 to the law firm of Redmond and Parrinello.
4. On or about November 3, 1971, MICHAEL W. ROCHE endorsed check #1854 from Dick Kraft Insurance Associates which was payable in the amount of \$1,412.18 to MICHAEL W. ROCHE.
5. On or about January 7, 1972, MICHAEL W. ROCHE endorsed check #1949 from Dick Kraft Insurance Associates which was payable in the amount of \$3,270.45 to MICHAEL W. ROCHE.
6. On or about May 10, 1972, MICHAEL W. ROCHE endorsed check #2092 from Dick Kraft Insurance Associates which was payable in the amount of \$2,011.73 to MICHAEL W. ROCHE.

7. On or about January 8, 1974, MICHAEL W. ROCHE endorsed check #1006 from Dick Kraft Insurance Associates which was payable in the amount of \$2,899.87 to MICHAEL W. ROCHE.

All in violation of Title 18, United States Code, Section 371.

---

RICHARD J. ARCARA  
UNITED STATES ATTORNEY  
WESTERN DISTRICT OF NEW YORK

A TRUE BILL:

---

FOREMAN



In the District Court of the United States

For the Western District of New York

THE UNITED STATES OF AMERICA

-VS-

DANIEL L. BOOKLESS

October 1974 Session ~~Term~~

No.

Vol. T. 18, U.S.C.,  
§1623

FILED:

COUNT I

The Grand Jury charges:

1. That on or about August 9, 1974, in the Western District of New York, DANIEL L. BOOKLESS, the defendant herein, having duly taken an oath before the United States Grand Jury for the said District, which had been duly empaneled and sworn in the United States District Court for the said District, and which was then and there inquiring into matters involving violations of the laws of the United States, that he would testify truthfully, did unlawfully, knowingly and contrary to said oath make certain false material declarations as hereinafter described:

2. At the time and place aforesaid, the Grand Jury was conducting an investigation to determine whether there had occurred in the Western District of New York and elsewhere violations of the United States Code, to wit: Title 18, Sections 371 and 1951, and Title 41, Sections 51 and 54, and any other criminal statute of the United States.

3. It was material to the aforesaid inquiry to determine the circumstances under which certain monetary amounts owed by John P. Johnson to Jackies Flooring, Inc. d/b/a Imperial Floor Fashions, had not been paid.

-2-

1. At the time and place alleged in paragraph 1 herein, DANIEL L. BOOKLESS appeared as a witness before the said Grand Jury and, having been placed under oath, did then and there testify falsely before the Grand Jury with respect to the said material matters as follows:

Q. All right. We can get back to that. We'll keep the record straight in that regard. The question at this point is why were these amounts owing, this approximately \$5800 fifty-eight hundred dollars in invoices, why were they written off as commissions?

A. Okay. I'll go into some detail on this.

Q. Okay.

A. The largest portion of this -- these invoices was about three thousand dollars or such. That was for the living room, dining room carpet, very expensive and very good carpet, and our men didn't do too good a job in installing it. The seams weren't very good, and Mr. Redmond was rather unhappy.

Q. Okay. Now, the living room, dining room portion of this job is covered by invoice number 2025, is that correct?

A. Yes.

Q. That's in the amount of three thousand two hundred three dollars and eighty-five cents, is that right?

A. Yes.

Q. You are saying that the truth of the matter is that Mr. Redmond did not pay any of these invoices because the living room carpet and the hall carpet was improperly installed, is that correct?

A. He complained that he wanted them fixed, and it was a very -- as I said it was very unusual type carpeting. We tried to fix it, we weren't able to. In fact, today the seams are still bad on the carpet.

\* \* \* \* \*



Q. So it's your recollection that the sole reason he did not pay for any of this carpeting was because the seams were improperly done?

A. That's correct.

5. The aforesaid testimony of DANIEL L. BOOKLESS as he then and there well knew and believed, was not true in that he had personally participated in arranging an agreement with Milton J. Jachles whereby John F. Redmond would not be required to pay for certain floor covering installed by Jachles Flooring, Inc. d/b/a Imperial Floor Fashions, as an inducement for and acknowledgment of subcontracts and orders to Jachles Flooring, Inc. from Building Systems, Inc. and its subsidiaries.

All in violation of Title 18, United States Code, Section 1623.

#### COUNT II

##### The Grand Jury Further Charges:

1. That on or about August 9, 1974, in the Western District of New York, DANIEL L. BOOKLESS, the defendant herein, having duly taken an oath before the United States Grand Jury for the said District, which had been duly empaneled and sworn in the United States District Court for the said District, and which was then and there inquiring into matters involving violations of the laws of the United States, that he would testify truthfully, did unlawfully, knowingly and contrary to said oath make certain false material declarations as hereinafter described.

2. At the time and place aforesaid, the Grand Jury was conducting an investigation to determine whether there had occurred in the Western District of New York and elsewhere violations of the United States Code, to wit: Title 18,

Sections 371 and 1951, and Title 41, Sections 51 and 54, and any other criminal statute of the United States.

3. It was material to the aforesaid inquiry to determine the circumstances surrounding the installation of floor covering by Jachles Flooring, Inc. d/b/a Imperial Floor Fashions in the residence of JOHN R. PARRINELLO.

4. At the time and place alleged in paragraph 1 herein, DANIEL L. BOOKLESS appeared as a witness before the said Grand Jury and, having been placed under oath, did then and there testify falsely before the Grand Jury with respect to the said material matters as follows:

Q. Did Mr. Parrinello ever tell you that he was not going to pay for the carpeting?

A. No.

Q. Do you know of any reason why he didn't pay for the carpeting?

A. No, I don't.

Q. Now, Mr. Parrinello was on the Rochester City Council at that time, is that correct?

A. Yes.

Q. And the Hudson Avenue Project which Imperial Floor Fashions submitted bids on for the flooring contract, that was a project being conducted by the Rochester Housing Authority, is that correct?

A. Yes, I think so. I don't know if it was UDC or the Housing Authority or what it was.

Q. Well, I can assure you it was the Rochester Housing Authority.

A. Okay.

Q. Now, is the fact that Mr. Parrinello never paid for the carpeting that was installed in his house, did that have anything to do with the awarding of the contract from DSI to Imperial Floor Fashions for the flooring work on the Hudson Avenue Project?

A. No.



Q. How about any of these contracts, any of these public contracts that BSI was to subcontract for?

A. No, I'll tell you, we bid them competitively.

\* \* \* \* \*

Q. To the best of your knowledge, the fact that Mr. Parrinello has received this carpet and has not been billed for it, or at least has not paid for it to this day, to your knowledge, that has no connection whatsoever with the awarding of these contracts from BSI to Imperial Floor Fashions?

A. That's correct.

\* \* \* \* \*

Q. Have you any idea why Mr. Parrinello was not billed for this carpeting?

A. No, I don't.

5. The aforesaid testimony of DANIEL L. BOOKLESS, as he then and there well knew and believed, was not true in that he had personally participated in arranging an agreement with Milton J. Jachles whereby John R. Parrinello would not be required to pay for certain floor covering installed by Jachles Flooring, Inc. d/b/a Imperial Floor Fashions, as an inducement for and acknowledgment of subcontracts and orders to Jachles Flooring, Inc. from Building Systems, Inc., and its subsidiaries.

All in violation of Title 18, United States Code, Section 1623.

### COUNT III

#### The Grand Jury Further Charges:

1. That on or about August 9, 1974, in the Western District of New York, DANIEL L. BOOKLESS, the defendant herein, having duly taken an oath before the United States Grand Jury for the said District, which had been duly empaneled and sworn in the United States District Court for the said District, and which was then and there inquiring into matters involving violations of the laws of the United States, that he would testify truthfully,

and unlawfully, knowingly and contrary to said oath make certain false material declarations as hereinafter described:

2. At the time and place aforesaid, the Grand Jury was conducting an investigation to determine whether there had occurred in the Western District of New York and elsewhere violations of the United States Code, to wit: Title 18, Sections 371 and 1951, and Title 41, Sections 51 and 54, and any other criminal statute of the United States.

3. It was material to the aforesaid inquiry to determine the circumstances surrounding the installation of flooring covering by Jachles Flooring, Inc. d/b/a Imperial Floor Fashions at the residence of Donald R. Dileno.

4. At the time and place alleged in paragraph 1 herein, DANIEL L. BOOKLESS appeared as a witness before the said Grand Jury and, having been placed under oath, did then and there testify falsely before the Grand Jury with respect to the said material matters as follows:

Q. I show you now what has been marked for identification as Grand Jury Exhibit No. 2, and its Invoice No. 2307, and it's to Don Dileno in Pittsford, New York, dated July 17th, 1971, and it's in the amount of six hundred eighty-four dollars and twenty-seven cents for carpeting.

Now, we have here on this invoice the same handwriting that we've had on the other invoices. Would you say that's a fair statement?

A. Yes, I would say so.

Q. And again you don't recognize that handwriting?

A. I don't know whose it is.

Q. And this indicates that between January, 1972, and April of 1972, the six hundred eighty-four dollars owing on this invoice was written off in one hundred seventy-one dollars and seven cents?



A. Yes.

Q. Now, attached to invoice number 2307 is a white piece of paper marked "Statement to Don Dilenno", dated December 31, 1971, and it has "balance due 6-84-27 [that is, \$684.27]." Now, written in is "Blanche, write-off a month for --" oh, "write-off \$171.07 a month for four months as commission paid on job", and then its initialed M, and then underneath that is written "against Dan's sale." Now, do you recognize that handwriting?

A. Yes.

Q. Whose handwriting is that?

A. It's Milt's.

Q. That's Milt Jachles?

A. Yes.

Q. There's a penciled notation, "Commission paid to D. Dilenno, start 1/31/72." Do you recognize that handwriting?

A. No.

Q. Do you understand what that notation means?

A. I think I know what it means, what its supposed to mean.

Q. Could you tell us what that means?

A. It says, "Commissions paid to D. Dilenno, start 1/31/72."

Q. That's what it says, do you know what it means?

A. I think I know what it means.

Q. Okay. What does it mean?

A. Sound like he's getting a commission.

Q. Don Dilenno was getting a commission?

A. Commission paid to -- already got one.

Q. All right. Now, Don Dilenno was not employed by Imperial Floor Fashions, was he?

A. No.

Q. He was, in fact, the general manager of BSI here in Rochester?

A. Yes. Was this -- I'm never -- do you have any more handwriting like that? I don't recognize it at all, not even like this.

Q. I don't know. I have two rooms full of documents, we'll take a look at them some day. Well, my question is, do you know any reason why Don Dileno should be getting a commission from Imperial Floor Fashions?

A. None at all. I never saw this until the other day when you showed it to me.

\* \* \* \* \*

Q. Now, Dileno apparently did not pay his bill.

A. He was not aware -- I was not aware that he didn't pay it until the other day.

5. The aforesaid testimony of DANIEL L. BOOKLESS as he then and there well knew and believed was not true in that he had personally participated in arranging an agreement whereby Donald R. Dileno would not be required to pay for certain floor covering installed by Jachles Flooring, Inc. d/b/a Imperial Floor Fashions, as an inducement for and acknowledgment of subcontracts and orders to Jachles Flooring, Inc., from Building Systems, Inc., and its subsidiaries.

All in violation of Title 18, United States Code, Section 1623.

#### COUNT IV

#### The Grand Jury Further Charges:

1. That on or about April 3, 1975, in the Western District of New York, DANIEL L. BOOKLESS, the defendant herein, having duly taken an oath before the United States Grand Jury for the said District, which had been duly empaneled and sworn in the United States District Court for the said District, and which was then and there inquiring into matters involving violations of the laws of the United States, that he would testify truthfully,



did unlawfully, knowingly and contrary to said oath make certain false material declarations as hereinafter described:

2. At the time and place aforesaid, the Grand Jury was conducting an investigation to determine whether there had occurred in the Western District of New York and elsewhere violations of the United States Code, to wit: Title 18, Sections 371 and 1951, and Title 41, Sections 51 and 54, and any other criminal statute of the United States.

3. It was material to the aforesaid inquiry to determine the circumstances under which certain flooring subcontracts were obtained by Jachles Flooring, Inc. d/b/a Imperial Floor Fashions from Building Systems Housing Corporation, a subsidiary of Building Systems, Inc.

4. At the time and place alleged in paragraph 1 herein, DANIEL L. BOOKLESS appeared as a witness before the said Grand Jury and, having been placed under oath, did then and there testify falsely before the Grand Jury with respect to the said material matters as follows:

Q. Here is what we have, a signed sworn statement to the following: "We also received the contract on the BSI Project on River Street and Lake Avenue. Both of these contracts are also dated April 19, 1972, although the negotiations have been conducted several months before. One of the contracts is number 003929, the other is numbered 003928. Bookless and I agreed on a figure of nine dollars per square yard based on an estimate of seventy eight hundred square yards total for both contracts. He later came back and told me we had gotten the carpet contracts at ten dollars per square yard and that we have to channel back the additional one dollar per square yard. I agreed to this only if the contracts were fully paid and that no additional cost occurred. We then received the contracts at ten dollars per square yard. To date

I have not been fully paid on the contracts by B.S.I. and Bookless is no longer working for me.

I have not been approached by anyone for the money." Now do you ever recall having had such a discussion with Mr. Milt Jachles?

A. I may have. If I did, it's right what it says here, the contract shall allow ten dollars a square yard. If it's done for nine dollars, we have to give a dollar back to B.S.H.C.

Q. Do you know that Mr. Jachles knows something about the carpet bid?

A. Yes.

Q. Are you saying that Mr. Jachles was unaware that the figure would be set down at ten dollars a square yard?

A. He was unaware that it would be nine dollars a yard. He couldn't possibly know what the figure would be.

Q. Are you saying that his statement that you and he got together and figured and arrived at a figure of nine dollars per square yard as an estimate based on an estimate of seventy eight hundred square yard total for both of these contracts, Grand Jury 4 and 5; are you saying then that Mr. Jachles didn't know what he was doing when he got together with you and prepared this nine dollar per square yard figure?

A. When did he prepare a nine dollar per square yard figure?

Q. He said he prepared a nine dollar per square yard figure prior to the time that you submitted a bid on behalf of -- came back and told him you would get the contract at ten dollars a square yard and one dollar is to be channeled back?



- A. I think Mr. Jachles made a mistake.
- Q. He is making a mistake when he said that?
- A. Yes.
- Q. What if he made this statement deliberately, is he telling the truth?
- A. Ask him.
- Q. I did ask him. He said this is the truth. I am asking you now, is that the truth?
- A. No.
- Q. Do you deny --
- A. Let me finish answering the question. To the best of my knowledge it's not the truth because there is nothing selected here.
- Q. Of course, when Mr. Jachles says you informed him that you would have to channel a dollar per square yard, you have no basis of how much had to be channeled until the architect picked the carpet?
- A. Yes.
- Q. When Jachles said you told me our kickback is one dollar per square yard, that is not true; is it? It couldn't be true?
- A. It couldn't be true to the best of my recollection I don't want to answer something that you are putting words in my mouth.
- Q. You tell us, did it happen?
- A. I don't remember it happening. I don't see how it can happen.
- Q. Do you want to examine this statement?
- A. It doesn't make any difference what he said.
- Q. You're telling me what Mr. Jachles said in the statement is not true?

A. I don't remember that happening? You ask him about that statement and tell him he could be confused because this happened a long time ago.

Q. Mr. Bookless --

A. Let me finish. If the carpeting isn't selected there is no way I could say nine dollars a yard.

Q. What Mr. Jachles described is a criminal offense. Do you recall it or do you stand on your previous statement that you don't recall it?

A. I don't recall it.

Q. You recall nothing about it?

A. Right.

Q. I want to advise you at this point an answer such as you have given that you do not recall under circumstances under which a reasonable man would recall is no bar to a prosecution for perjury.

A. I am telling you the truth. I might not understand what you said.

Q. What I am saying, you say that you do not recall ever having a discussion with Milt Jachles about kicking back one dollar per square yard on these contracts?

A. Maybe we did. If the carpet comes up to nine dollars a yard, we have to give back a dollar a yard. It says so here.

Q. We are talking about a situation in which you got together with Mr. Jachles prior to the time that you obtained those contracts. You agreed with Mr. Jachles on a nine dollar per square yard figure for both contracts with an estimate of 7800 square yards total for both contracts that you then came back to Mr. Jachles and told him that you -- he could have the contracts for ten dollars per square yard, but that one dollar per square yard had to be kicked back or channeled back. My question is did it happen?



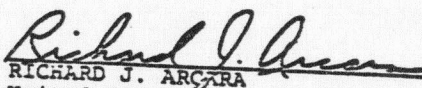
- A. Let me tell you if I ever came back to Mr. Jachles and said one dollar a square yard would have to be kicked back we got the contract for ten dollars a yard, the architect would pick carpet that sells for nine dollars, we kick back one dollar a square yard. If that is how it came about, I don't remember. Then it's true unless the architect picks the carpet out it can't be determined how much the carpet costs.
- Q. How did you and Mr. Jachles agree on nine dollars a square yard?
- A. We didn't agree.
- Q. That part of your statement isn't true?
- A. I don't remember that being true. Maybe later.
- Q. We are talking about a period prior to the time you obtained the contracts you have in front of you?
- A. These are ten dollars a yard.
- Q. Mr. Jachles' statement is that you and he figured, agreed on a figure of nine dollars per square yard based on the estimate of 7800 square yards for both contracts. Now did you or didn't you arrive at a nine dollar per square yard figure?
- A. I don't remember.
- Q. Is it possible under the circumstances that you described, that you could arrive at nine dollars per square yard as a figure?
- A. Not until we see the carpet.
- Q. Would you say that Mr. Jachles is not telling the truth?
- A. Don't put words in my mouth. I don't want to answer that question. I've told you the way I see it, and you're trying to put words in my mouth.
- Q. I am trying to reach a conclusion of all the stuff you told us?
- A. I told you the way it is. I can't tell you any other

man would recall this conversation.

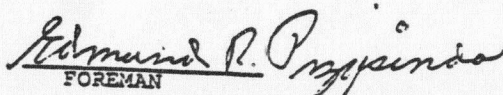
- A. If I said to him, Milt, this contract goes for nine dollars a square yard and we have to give one dollar back, it says that in the contract. That is how I would have said it. There is no way he can -- he couldn't if he wanted to. If he wants to give away his money that is his prerogative, I can't.
- Q. You're sure that you did not have a conversation with him in which you told him, in fact, obtain the contract at ten dollars per square yard but that one dollar per square yard had to be kicked back?
- A. Not unless they picked a carpet that sold for nine dollars a square yard.

5. The aforesaid testimony of DANIEL L. BOOKLESS, as he then and there knew and believed was not true in that he had personally participated in arranging with Milton J. Jachles a scheme and artifice whereby, as an inducement for certain flooring subcontracts from Building Systems Housing Corporation, Jachles Flooring, Inc. d/b/a Imperial Floor Fashions would kick-back to persons unknown approximately one dollar per square yard of floor covering installed pursuant to the aforesaid subcontracts.

All in violation of Title 18, United States Code, Section 1623.

  
RICHARD J. ARCARA  
United States Attorney

A TRUE BILL:

  
FOREMAN



# In the District Court of the United States

For the Western District of New York

THE UNITED STATES OF AMERICA

-VS-

DONALD R. DILENO

*Dileno, 45  
12 Eastern Ave,  
Pittsford*

*4 counts*

*4 - Still sitting*  
MA 75 - Still sitting  
October 1974 Session Term  
OCT 75  
No.  
CHS SIT 13 WAC.  
Vio. T. 18, U.S.C.,  
§§371 and 1952

## COUNT I

The Grand Jury charges:

*Granted  
immunity  
by ct  
order*

That continuously between approximately January 1, 1971, and January 1, 1975, in the Western District of New York and elsewhere, DONALD R. DILENO, the defendant herein, and JAMES E. BIDDLE and ROCHESTER ACOUSTICAL CORPORATION, named herein as co-conspirators but not indicted as defendants, unlawfully did knowingly and wilfully combine, conspire, confederate and agree together and with each other and with other persons both known and unknown to the Grand Jury to commit offenses against the United States of America, to wit: unlawfully to travel in interstate commerce between the State of New York and the State of Ohio and use facilities in interstate commerce between the State of New York and the State of Ohio, the exact facilities being to the Grand Jurors aforesaid unknown, with intent to distribute the proceeds of an unlawful activity and with intent to otherwise promote, manage, establish, carry on and facilitate the promotion, management, establishment and carrying on of an unlawful activity, said unlawful activity being commercial bribe, receiving by DONALD R. DILENO in violation of Article 180, Section 180.05, of the New York Penal Law, and thereafter to distribute and attempt to distribute the proceeds of said unlawful activity and to otherwise promote, manage, establish and carry on and

facilitate the promotion, management, establishment and carrying on of said unlawful activity and to attempt to do so, in violation of Title 18, United States Code, Section 1952.

OVERT ACTS

And, during the period aforesaid, the said defendant and the several unindicted co-conspirators did commit, among others, the following overt acts in furtherance of the said conspiracy and in order to effectuate the object and purpose thereof, to wit:

1. On or about August 15, 1972, in Rochester, New York, JAMES E. BIDDLE delivered to DONALD R. DILENO a check, in the amount of \$46,500 drawn on the account of ROCHESTER ACOUSTICAL CORPORATION and payable to Construction Components, Inc., of Cleveland;

2. On or about August 19, 1972, in Cleveland, Ohio, DONALD R. DILENO delivered to VITO ARSENA of Construction Components, Inc., the \$46,500 check drawn on the account of ROCHESTER ACOUSTICAL CORPORATION; 216

3. On or about August 19, 1972, in Cleveland, Ohio, VITO ARSENA delivered to DONALD R. DILENO three checks drawn on the account of Construction Components, Inc., and payable to DONALD R. DILENO in the amounts of \$35,500, \$10,000 and \$1,000 for a total of \$46,500; claimed didn't know

4. On or about August 21, 1972, in Rochester, New York, DONALD R. DILENO deposited in the account of DONALD R. DILENO and wife at the Security Trust Company of Rochester a portion of the \$35,500 check drawn on the account of Construction Components, Inc., and payable to DONALD R. DILENO, applying the balance of the proceeds to satisfy a personal debt;



5. On or about August 21, 1972, in Cleveland, Ohio, DONALD R. DILENO caused the \$1,000 check drawn on the account of Construction Components, Inc. and payable to DONALD R. DILENO to be deposited in the account of Joyce B. Dileo at the Cleveland National Bank;

6. On or about September 19, 1972, in Cleveland, Ohio, DONALD R. DILENO cashed the \$10,000 check drawn on the account of Construction Components, Inc. and payable to DONALD R. DILENO at the National City Bank of Cleveland;

7. On or about December 19, 1972, in Rochester, New York, JAMES E. BIDDLE delivered to DONALD R. DILENO a check in the amount of \$20,000 drawn on the account of ROCHESTER ACOUSTICAL CORPORATION and payable to Larwood Construction Corporation of which DONALD R. DILENO was then president;

8. On or about April 17, 1973, in Rochester, New York, JAMES E. BIDDLE delivered to DONALD R. DILENO a check in the amount of \$25,000 drawn on the account of ROCHESTER ACOUSTICAL CORPORATION and payable to DONALD R. DILENO;

9. On or about April 4, 1974, in Rochester, New York, JAMES E. BIDDLE delivered to DONALD R. DILENO a check in the amount of \$25,000 drawn on the account of ROCHESTER ACOUSTICAL CORPORATION and payable to DONALD R. DILENO;

All of which was in violation of Title 18, United States Code, Section 371.

COUNT II

THE GRAND JURY FURTHER CHARGES:

That, between approximately August 15 and August 19, 1972, in the Western District of New York and elsewhere, DONALD R. DILENO, the defendant herein, unlawfully did travel in interstate commerce between the State of New York and

new  
check

new  
check

new  
check

46,500.  
20,  
00  
\$ 114,500

Series

the State of Ohio and use facilities in interstate commerce between the State of New York and the State of Ohio, the exact facilities in interstate commerce being to the Grand Jurors aforesaid unknown, with intent to distribute the proceeds of an unlawful activity and with intent to otherwise promote, manage, establish and carry on and facilitate the promotion, management, establishment, and carrying on of an unlawful activity, the said unlawful activity being commercial bribe receiving by DONALD R. DILENO in violation of Article 180, Section 180.05 of the New York State Penal Law, and the said defendant did thereafter distribute the proceeds of said unlawful activity and did otherwise promote, manage, establish and carry on and facilitate the promotion, management, establishment and carrying on of said unlawful activity, all in violation of Section 1952 of Title 18, United States Code.

COUNT III

THE GRAND JURY FURTHER CHARGES:

That, between approximately August 19 and August 21, 1972, in the Western District of New York and elsewhere, DONALD R. DILENO, the defendant herein, unlawfully did travel in interstate commerce between the State of New York and the State of Ohio and use facilities in interstate commerce between the State of New York and the State of Ohio, the exact facilities in interstate commerce being to the Grand Jurors aforesaid unknown, with intent to distribute the proceeds of an unlawful activity and with intent to otherwise promote, manage, establish and carry on and facilitate the promotion, management, establishment and carrying on of an unlawful activity, the said unlawful activity being commercial bribe receiving by DONALD R. DILENO in



- 5 -

violation of Article 180, Section 180.05 of the New York State Penal Law, and said defendant did thereafter distribute the proceeds of said unlawful activity and did otherwise promote, manage, establish and carry on and facilitate the promotion, management, establishment and carrying on of said unlawful activity, all in violation of Section 1952 of Title 18, United States Code.

COUNT IV

THE GRAND JURY FURTHER CHARGES:

That, between approximately August 21 and September 19, 1972, in the Western District of New York and elsewhere, DONALD R. DILENO, the defendant herein, unlawfully did travel in interstate commerce between the State of New York and the State of Ohio and use facilities in interstate commerce between the State of New York and the State of Ohio, the exact facilities in interstate commerce being to the Grand Jurors aforesaid unknown, with intent to distribute the proceeds of an unlawful activity and with intent to otherwise promote, manage, establish and carry on and facilitate the promotion, management, establishment and carrying on of an unlawful activity, the said unlawful activity being commercial bribe receiving by DONALD R. DILENO in violation of Article 180, Section 180.05 of the New York State Penal Law, and said defendant did thereafter distribute the proceeds of said unlawful activity and did otherwise promote, manage, establish and carry on and facilitate the promotion, management, establishment and carrying on of said unlawful activity, all in violation of Section 1952 of Title 18, United States Code.

A TRUE BILL:

*Edmund P. [Signature]*

*Richard J. Arcara*  
RICHARD J. ARCARA  
UNITED STATES ATTORNEY  
WESTERN DISTRICT OF NEW YORK

Rochester Acoustical Corp.  
 - Kullback Park Apts - 780,000  
 - Lake & River projects - 784,000  
 contract

E  
 James Biddle - pres  
 40 Gateway Rd 989 1/2  
 Chili

approximate

Rochester Acoustical Corp.  
 74 Paul Rd Chili

Form DJ-195  
 (Ed. 2-7-66)

No. \_\_\_\_\_  
 UNITED STATES DISTRICT COURT  
 WESTERN District of NEW YORK  
 Division \_\_\_\_\_  
 THE UNITED STATES OF AMERICA  
 vs.  
 DONALD R. DILENO

INDICTMENT

a true bill,  
 Edward R. Coughlin  
 Foreman.  
 Filed in open court this \_\_\_\_\_ day  
 of \_\_\_\_\_, A. D. 19\_\_\_\_  
 Clerk.  
 Bail, \$ \_\_\_\_\_  
 67-9 902-483



# Former Housing Project Chief Charged in \$116,500 Bribery

OCT 14, 1975 T-U

By NANCY KREISLER

The former area project manager for Building Systems Housing Corp. has been charged with conspiracy and using interstate travel with the intent to distribute proceeds of illegal commercial bribes.

Donald R. Dileno, 45, of 12 Esternay Lane, Pittsford, is named in a four-count federal indictment made public today.

James E. Biddle and the Rochester Acoustical Corp. of 44 Paul Rd. were named as unindicted coconspirators in the indictment.

Biddle, of 40 Gateway Rd., Chili, is president of the corporation. It installs acoustical ceilings and dry walls.

According to federal officials, Dileno is accused of receiving a series of bribes in return for awarding contracts to Rochester Acoustical Corp. which he negotiated on behalf of Building Systems Housing Corp. Total amount of bribes listed in the indictment is \$116,500.

Dileno was arrested this morning and arraigned before U.S. District Court

Judge Harold P. Burke. He pleaded innocent and was released on a \$5,000 personal recognizance bond.

In the indictment Dileno is charged with receiving from Biddle a check drawn on the account of Rochester Acoustical Corp. and payable to Construction Components Inc. of Cleveland in the amount of \$46,500.

The check was then delivered by Dileno to Vito Arsena of Construction Components, the indictment says. Arsena then gave Dileno, according to the indictment, three separate checks of \$35,500, \$10,000 and \$1,000.

According to the indictment:

The \$35,500 check was deposited by Dileno into his personal account at the Security Trust Co. of Rochester. The \$1,000 check was deposited by Dileno into the account of Joyce B. Dileno in a Cleveland bank, and the \$10,000 check was cashed by Dileno at a Cleveland bank.

In addition to the \$46,500 the indictment charges that Biddle also delivered to Dileno checks for \$20,000, \$25,000, and \$25,000 which

federal authorities say were additional payment on the bribe.

The bribes, according to federal officials, involved the Keeler Park project off the Keeler Street Expressway, Lakeview Homes at 4575 Lake Ave., and Riverview Manor at 60 River St. The latter two are Urban Development Corp. projects.

Rochester Acoustical's contract on Keeler Park was approximately \$780,000. Its Lakeview and Riverview Manor contracts were approximately \$784,000, federal officials said.

Dileno moved to Rochester in 1971 from a suburb of Cleveland, Ohio. He had been a department manager for the Zaremha Construction Co.

Zaremha merged with the Housing Development Co. to become Building Systems Housing Corp., a subsidiary of Building Systems Inc. of Cleveland.

Building Systems Housing Corp. was general contractor for more than \$35 million worth of public housing projects in Rochester.



DONALD R. DILENO

In late 1972, Dileno left Building Systems and bought two firms owned by Rene J. Piccarreto, identified by police as a top member of the local organized crime syndicate. Dileno then started Larwood Development Ltd. Larwood is a construction firm located at 431 Jay St.

In April 1973, Dileno became one of Piccarreto's partners in a real estate company in California called A. P. Investments.

Federal authorities say that Dileno's indictment is the first of more which are expected from a grand jury probe of the public housing industry in Rochester.

# Ex-housing project

OCT 15 1975 DC

## head indicted

By SHERIDAN LYONS

A federal indictment opened yesterday accuses a former project manager on four development in Monroe County of taking \$116,500 in bribes in return for awarding contracts to a local company.

Donald R. Dileno, 44, formerly of Pittsford and now living in a suburb of Cleveland, Ohio, is charged with conspiracy and with three counts of using interstate commerce to handle

illegal commercial bribes.

The indictment names Rochester Acoustical Corp., 44 Paul Road, and its president, James E. Biddle, 40 Gateway Road, Chili, as unindicted coconspirators.

Dileno, represented by Charles F. Crimi, surrendered yesterday morning to Federal Bureau of Investigation officials in Rochester. U.S. District Court Judge Harold P. Burke released him on a

\$5,000 bond after Dileno pleaded innocent.

The indictment charges that Dileno received bribes from the acoustical company from January 1971 to January 1975, in return for awarding contracts to it on behalf of Building Systems Housing Corp. of Cleveland.

The corporation, a subsidiary of Building Systems, Inc., of Cleveland, was general contractor on city housing projects totaling more than \$35 million.

Dileno worked on projects at 1501 Hudson Ave., at Keeler Park, off the Keeler Street Expressway, at Lakeview Homes, 4575 Lake Ave., and at Riverview Manor, 60 River St., until late 1972, federal authorities said.

He then bought two firms owned by Rene J. Piccarreto, who authorities say, heads organized crime in Rochester, and operated a construction firm, Larwood Development Ltd., from the location at 431 Jay St., authorities said.

The indictment charges Dileno received four payments including two checks made out to him and one check to his company, Larwood.

The fourth began as a \$46,500 check on the account of Rochester Acoustical to Construction Components Inc. of Cleveland. Construction Component's president then issued three checks, totaling \$46,500, to Dileno, according to the indictment.

Dileno is accused of depositing the checks in Rochester and in Cleveland.

Rochester Acoustical held more than \$150,000 in contracts at Keeler Park, Riverview and Lakeview, authorities said. Lakeview and Riverview are Urban Development Corp. projects.

The federal grand jury that returned the indictment against Dileno Friday has been meeting for a year and authorities predict more indictments from its probe of public housing in Rochester. The FBI has been involved in the investigation for about two years.



NOV 4 1975 TC

# Salesman Indicted For Perjury

By NANCY KREISLER

A local carpet salesman has been charged with lying to a federal grand jury when he denied that former Vice Mayor John Parrinello and two others received free carpeting as part of a kickback scheme.



Daniel Bookless

Indicted was Daniel L. Bookless, 42, of 39 South Cross Trail, Fairport. Bookless is a former carpet salesman for Jachles Flooring Inc., a flooring company which does business as Imperial Floor Fashions. The company has showrooms at 611

Thurston Road and 75 W. Main St., Webster.

Bookless was arrested by a special agent for the Federal Bureau of Investigation last night after the indictment was returned. U.S. Magistrate Stephen S. Joy ordered Bookless released on a \$5,000 recognizance bond. Bookless is to be arraigned before U.S. District Court Judge Harold P. Burke.

According to the indictment, Bookless arranged with Milton J. Jachles, owner of Imperial, for Parrinello, Parrinello's law partner, John F. "Tony" Redmond, and Donald R. Dileno, former project manager for Building Systems, to have the carpeting installed in their homes without payment.

The indictment says the arrangements were made "as an inducement for and acknowledgement of subcontracts and orders to Jachles Flooring Inc. from Building Systems Inc. and its subsidiaries."

Bookless, who was arrested at the Northway Scoal Club, 234 Portland Ave., is to be arraigned on the charges Monday. If found guilty, he faces a maximum sentence of five years in jail, or a \$10,000 fine, or both, on each of the four counts of perjury against him.

Informed sources said that after Bookless left Imperial, he was employed for a time at Dileno's firm, Larwood Development Ltd. He is now employed by a Fairport carpeting and cabinet company.

Redmond and Parrinello were hired as attorneys by Building Systems Inc. in 1970. Parrinello was a city councilman from January, 1970, through 1973 and vice mayor in 1972.

Building Systems was general contractor for more than \$35 million worth of public housing in Rochester. Jachles told The Times-Union last year that Imperial had all but one of the flooring subcontracts on six Building Systems projects here.

Bookless is also charged with lying to the grand jury about arranging with Jachles for a kickback to "persons unknown" on a carpeting contract for two Building Systems projects.

Jachles has been granted immunity for his cooperation in the investigation.

The indictment doesn't charge Parrinello, Redmond or Dileno with any criminal act. Parrinello testified voluntarily last month before the grand jury.

According to the indictment, Bookless testified before the grand jury on Aug. 9, 1974. The testimony cited in the indictment says in part:

Q. Did Mr. Parrinello ever tell you that he was not going to pay for the carpeting?

A. No.

Q. Do you know of any reason why he didn't pay for the carpeting?

A. No, I don't.

Q. Now, Mr. Parrinello was on the Rochester City Council at that time, is that correct?

A. Yes.

Q. And the Hudson Avenue Project which Imperial Floor Fashions submitted bids on for the flooring contract, that was a project being conducted by the Rochester Housing Authority, is that correct?

A. Yes, I think so. I don't know if it was UDC or the Housing Authority or what it was.

Q. Well, I can assure you it was the Rochester Housing Authority.

A. Okay.

Q. Now, is the fact that Mr. Parrinello never paid for the carpeting that was installed in his house, did that have anything to do with the awarding of the contract from BSI to Imperial Floor Fashions for the flooring work on the Hudson Avenue Project?

A. No.

Q. How about any of these contracts, any of these public contracts that BSI was to subcontract for?

A. No. I'll tell you, we bid them competitively.

The indictment says that Bookless testified the reason Redmond didn't pay for the carpeting was that it had been improperly installed.

Bookless is quoted as testifying, "He (Redmond) complained that he wanted them fixed, and it was a very — as I said it was very unusual type of carpeting. We tried to fix it, we weren't able to. In fact, today the seams are still bad on the carpet."

The indictment doesn't indicate how much Parrinello owed on the carpeting. It says Redmond owed \$5,300.

The indictment says Dileno owed \$684.27 on carpeting. On the invoice for the job a note was written to "write-off \$171.07 a month for four months as commission paid on job."

Bookless testified that the note was Jachles' handwriting.

Another note on the invoice said, "Commission paid to D. Dileno, start 1/31/72," according to the indictment.

Bookless was asked, "... do you know any reason why Don Dileno should be getting a commission from Imperial Floor Fashions?"

He answered, "None at all. I never saw this until the other day when you showed it to me."

According to the indictment, Bookless was also read a sworn statement previously made by Jachles. It said in part:

"We also received the contract on the BSI Project on River Street and Lake Avenue. Both of these contracts are also dated April 19, 1972, although the negotiations have been conducted several months before..."

"... Bookless and I agreed on a figure of nine dollars per square yard based on an estimate of seventy eight hundred square yards total for both contracts. He later came back and told me we had gotten the carpet contracts at ten dollars per square yard and that we have to channel back the additional one dollar per square yard..."

The indictment says Bookless lied when he testified that he "may have" had the conversation with Jachles, and that Jachles "made a mistake" about the conversation.

The indictment of Bookless is the second handed up recently by the October 1974 grand jury which has been hearing testimony on possible corruption in the public housing industry here. The investigation, which has been going on for two years, has been conducted by agents from the Federal Bureau of Investigation and the Federal Organized Crime Strike Force.

Dileno was previously indicted by the grand jury for conspiracy and using interstate travel with the intent to distribute proceeds of illegal commercial bribes totalling \$116,500. He has pleaded innocent to the charges.

NOV 4 1975

D & C

## Salesman Indicted For Perjury

By NANCY KREISLER

A local carpet salesman has been charged with lying to a federal grand jury when he denied that former Vice Mayor John Parrinello and two others received free carpeting as part of a kickback scheme.



Daniel Bookless

Indicted was Daniel L. Bookless, 42, of 39 South Cross Trail, Fairport. Bookless is a former carpet salesman for Jachies Flooring Inc., a flooring company which does business as Imperial Floor Fashions. The company has showrooms at 611

Thurston Road and 75 W. Main St., Webster.

Bookless was arrested by a special agent for the Federal Bureau of Investigation last night after the indictment was returned. U.S. Magistrate Stephen S. Joy ordered Bookless released on a \$5,000 recognizance bond. Bookless is to be arraigned before U.S. District Court Judge Harold P. Burke.

According to the indictment, Bookless arranged with Milton J. Jachies, owner

(Continued on B2)

## Salesman Indicted in Probe

(Continued from B1)

of Imperial, for Parrinello, Parrinello's law partner, John F. "Tony" Redmond, and Donald R. Dileno, former project manager for Building Systems, to have the carpeting installed in their homes without payment.

The indictment says the arrangements were made "as an inducement for and acknowledgement of subcontracts and orders to Jachies Flooring Inc. from Building Systems Inc. and its subsidiaries."

Bookless, who was arrested at the Northway Seaside Club, 234 Portland Ave., is to be arraigned on the charges Monday. If found guilty, he faces a maximum sentence of five years in jail, or a \$10,000 fine, or both, on each of the four counts of perjury against him.

Informed sources said that after Bookless left Imperial, he was employed for a time at Dileno's firm Larwood Development Ltd. He is now employed by a Fairport carpeting and cabinet company.

Redmond and Parrinello were hired as attorneys by Building Systems Inc. in 1970. Parrinello was a city councilman from January, 1970, through 1973 and vice mayor in 1972.

Building Systems was general contractor for more than \$33 million worth of public housing in Rochester. Jachies told The Times-Union last year that Imperial had all but one of the flooring subcontracts on six Building Systems projects here.

Bookless is also charged with lying to the grand jury about arranging with Jachies for a kickback to "persons unknown" on a carpeting contract for two Building Systems projects.

Jachies has been granted immunity for his cooperation in the investigation.

The indictment doesn't charge Parrinello, Redmond or Dileno with any criminal act. Parrinello testified voluntarily last month before the grand jury.

According to the indictment, Bookless testified before the grand jury on Aug. 9, 1974. The testimony cited in the indictment says in part:

Q Did Mr. Parrinello ever tell you that he was not going to pay for the carpeting?

A No.

Q Do you know of any reason why he didn't pay for the carpeting?

A No, I don't.

Q Now, Mr. Parrinello was on the Rochester City Council at that time, is that correct?

A Yes.

Q And the Hudson Avenue Project which Imperial Floor Fashions submitted bids on for the flooring contract, that was a project being conducted by the Rochester Housing Authority, is that correct?

A Yes, I think so. I don't know if it was UDC or the Housing Authority or what it was.

Q Well, I can assure you it was the Rochester Housing Authority.

A Okay.

Q Now, is the fact that Mr. Parrinello never paid for the carpeting that was installed in his house, and that have

anything to do with the awarding of the contract from BSI to Imperial Floor Fashions for the flooring work on the Hudson Avenue Project?

A No.

Q How about any of these contracts, any of these public contracts that BSI was to subcontract for?

A No. I'll tell you, we bid them competitively.

The indictment says that Bookless testified the reason Redmond didn't pay for the carpeting was that it had been improperly installed.

Bookless is quoted as testifying, "He (Redmond) complained that he wanted them fixed, and it was a very — as I said it was very unusual type of carpeting. We tried to fix it, we weren't able to. In fact, today the seams are still bad on the carpet."

The indictment doesn't indicate how much Parrinello owed on the carpeting. It says Redmond owed \$5,808.

The indictment says Dileno owed \$884.27 on carpeting. On the invoice for the job a note was written to "write-off \$171.08 a month for four months as commission paid on job."

Bookless testified that the note was Jachies' handwriting.

Another note on the invoice said, "Commission paid to D. Dileno, start 1/31/72," according to the indictment.

Bookless was asked, "... do you know any reason why Don Dileno should be getting a commission from Imperial Floor Fashions?"

He answered, "None at all. I never saw this until the other day when you told me it to me."

According to the indictment, Bookless was also read a sworn statement previously made by Jachies. It said in part:

"We also received the contract on the BSI Project on River Street and Lake Avenue. Both of these contracts are also dated April 15, 1972, although the negotiations have been conducted several months before."

"Bookless and I agreed on a figure of nine dollars per square yard based on an estimate of seventy eight hundred square yards total for both contracts. He later came back and told me we had gotten the carpet contracts at ten dollars per square yard and that we have to channel back the additional one dollar per square yard."

The indictment says Bookless lied when he testified that he "may have" had the conversation with Jachies, and that Jachies "made a mistake" about the conversation.

The indictment of Bookless is the second handed up recently by the October 1974 grand jury which has been hearing testimony on possible corruption in the public housing industry here. The investigation, which has been going on for two years, has been conducted by agents from the Federal Bureau of Investigation and the Federal Organized Crime Service Force.

Dileno was previously indicted by the grand jury for conspiracy and using interstate travel with the intent to distribute proceeds of illegal commercial bribes totalling \$116,500. He has pleaded innocent to the charges.

11/4

14



# Man Charged in Attempt To Murder Bookless

APR 14 1976 TU

By MIKE SHORE

William B. Barton, 38, described by police as an associate of organized crime figures, was arrested today and charged with attempting to murder Daniel Bookless.

Bookless, 42, of 39 S. Cross Trail, Fairport, was shot in the head in an apparent execution attempt Dec. 19.

He managed to drive himself to Strong Memorial Hospital where he collapsed into an attendant's arms saying: "They shot me." He was listed in "satisfactory" condition today.

Before the shooting Bookless was charged with lying to a federal grand jury investigating public housing construction in Rochester.

At the time of the shooting police authorities speculated he may have been the target of a mob-ordered execution.

Maj. Anthony Fantigrossi, chief of city detectives, said Barton surrendered to detectives about 11 a.m. today. He was accompanied by his lawyer, Gerald L. Dorsey. Fantigrossi said Barton apparently had heard police were looking for him.

He is to be arraigned in City Court tomorrow on charges of attempted murder and illegal possession of a weapon.

City police declined to comment on a motive for the shooting, but they did say they have been talking to Bookless vir-



BARTON



BOOKLESS.

tually every day since the shooting. They said Barton's arrest is based on their conversations with Bookless.

Bookless has suffered from aphasia (loss or impairment of the power to use words), police said. They said his ability to communicate has been improving.

He was shot once by a .25-caliber weapon just above the left eye, police said. The bullet lodged in his head near the left ear.

Bookless is a former carpet salesman for Jachles Flooring Inc., a flooring company which does business as Imperial Floor Fashions.

Bookless was indicted on a perjury charge when he denied former Vice Mayor John Parrinello and two others had received free carpeting as part of a kickback scheme. The two others were identified in the indictment as John F.

(Continued Back of A Section)

## Murder Try Charged In Bookless Case

Continued from Page 1

"Tony" Redmond, Parrinello's law partner, and Donald R. Dileo, former project manager for Building Systems Inc., a general contractor for more than \$35 million worth of public housing in Rochester.

According to the federal perjury indictment against him, Bookless arranged with Milton Jachles, owner of Imperial, to have carpeting installed in their homes without payment.

Barton is a former Rochester Department of Public Works employee and was sergeant at arms of Local 1635 of the city non-uniformed employees union. Barton was suspended from his city and union jobs after he was arrested in 1973 on charges he conspired with 12 others to muscle in on a vending business in Binghamton.

Those charges were dismissed during a federal court trial in 1974.

Barton was acquitted last month of second-degree assault charges accusing him of beating a man in 1974. He will be retired on a third-degree assault charge in connection with that beating.

Barton has not returned to his job with the city since his 1973 suspension.

## Charge

## Dismissed

JAN 20 1976 TU  
Against Barton

By DICK COOPER

The Daniel L. Bookless shooting case will not be presented to a county grand jury unless Bookless regains his memory, Asst. Dist. Atty. Howard R. Relin said today.

An attempted murder charge against William Bruce "Billy" Barton was dismissed yesterday in City Court when Bookless said he could not remember who shot him.

"Unless Bookless is truthful and honest this case is not going into a grand jury. Based on his testimony yesterday, he was not either," Relin said today.

Bookless, 42, of 39 South Cross Trail, Fairport, was shot once above the left eye Dec. 19. He was left for dead but regained consciousness and drove himself to Strong Memorial Hospital.

At a preliminary hearing yesterday, Lt. Louis Campanozzi said Bookless told him Barton, 39, of Grant Street, a reputed associate of organized crime figures, shot him.

Campanozzi said Bookless told him he met Barton at the 44 Club, a gambling

(Continued on 2B)

## Charge Dismissed Against Barton

(Continued from 1B)

club at 44 Lake Ave., the night of the shooting.

"Barton said to him, 'Let's go for a ride,'" Campanozzi said he was told. "They drove to a house on the west side, then to a motel parking lot where Mr. Barton shot him."

Barton had been held in jail in lieu of \$150,000 bail since his arrest Jan. 14. He was released yesterday.

Bookless, speaking in a slow, slurred voice, said he might have told police Barton shot him but "I was mistaken. This guy's (Barton) my friend."

He said he could not remember who shot him.

Bookless said he was sitting in the driver's seat of his car when he was shot.

"Who else was with you?" Relin asked.

"I don't know. There must have been somebody but I don't know who it was," Bookless said.

"This guy's a friend of mine," Bookless said, pointing to Barton. "He wouldn't do anything to me, and if he did, I'd squeal."

As he testified, Bookless ran his hand

over the stubble of hair growing back on his head. His head had been shaved before surgery to remove a bullet that lodged near his left ear. A horseshoe-shaped pink scar behind the ear was visible through the stubble.

Bookless' left eyelid was sewn shut to cover the eyeless socket. A bullet hole was hidden by his eyebrow.

"This is the only case I can remember where we have a victim who is a hostile victim," Relin said today. "His story changed only in the last few days. He told a doctor in the hospital that he was going to have memory problems when he got on the witness stand."



# Parrinello, Roche Accused In Building-Project Extortion

APR 13 1976 TU

By NANCY KREISLER

Two former Rochester city councilmen, John R. Parrinello and Michael W. Roche, were indicted today by a federal grand jury and charged with conspiracy, extortion and mail fraud.

The charges stem from business dealings the former councilmen allegedly had with Building Systems Inc. (BSI), a Cleveland, Ohio, firm which constructed four publicly-financed apartment projects in Rochester.

The two men allegedly extorted \$16,799 in "insurance commissions" from BSI that were funneled through Dick Kraft Associates, a local insurance firm, and \$65,300 from BSI, at least part of which was funneled through a Cleveland law firm.

The payments were made, according to the indictment, "for the purpose of corruptly influencing the official vote, opinion, judgment, action, decision and exercise of discretion" of Parrinello and Roche.

According to the six-count indictment, both Parrinello and Roche used their positions as city councilmen to extort the money. And the indictment states that both "secretly" realized private financial gain "without making such proposed and actual payments of money known to the taxpayers, voters and citizens of the City of Rochester, New York."

The alleged crimes took place between January, 1970, and January, 1971. Both Parrinello and Roche were city councilmen between January, 1970 and December, 1973. Parrinello was vice mayor in 1972 and 1973.

During the time Parrinello served on city council, his law firm, Redmond and Parrinello, represented BSI. And during the time Roche served, he worked part-time for Dick Kraft Associates, which partially insured some of the BSI projects.

Parrinello, 37, of 334 San Gabriel Dr., and Roche, 33, of 269 Chesterfield Dr., are expected to voluntarily surrender to federal authorities for arraignment on the charges.

Parrinello met with Alan Gressel, head of a BSI subsidiary called Building Systems Inc. of New York, on July 2, 1971 in Cleveland, according to the indictment.



JOHN R. PARRINELLO



MICHAEL W. ROCHE

BSI was at the time one of the largest developers and builders of medium and high rise apartments in the United States. The firm was constructing four major projects in Rochester for a total cost of about \$35 million. It has since gone bankrupt.

The projects required city council approval for a variety of matters.

Improperly using his position as a city councilman, the indictment states, Parrinello compelled BSI and its subsidiaries to pay the Redmond and Parrinello law firm \$65,300. The payments were to be made in three separate installments of approximately \$21,767 each, according to the indictment.

On March 27, 1972, Parrinello sent a bill for \$21,766.66 to City Plumbing and Heating Co. of Cleveland, the indictment states.

An informed source told The Times-Union that the Cleveland firm refused to pay what the source termed a "phony" bill.

On Aug. 23, 1972, the indictment states, BSI sent a \$21,767 check to the Cleveland law firm of Kohrman and Jackson. Five days later, the Kohrman and Jackson firm sent a \$21,767 check to the Redmond and Parrinello firm, which Parrinello then endorsed, the indictment states.

(S. Lee Kohrman, a member of the firm of Kohrman and Jackson, was a BSI lawyer.)

The indictment doesn't state how the other two payments were made to Parrinello, or if they were actually made.

The Kraft firm had BSI's risk (fire and extended) coverage on the Southeast Loop project, and both liability and risk insurance on the Charlotte project. Both projects were financed through the Urban Development Corp. — Greater Rochester.

BSI, the indictment states, mailed certain checks, drafts, correspondence, insurance applications, statements of loss, reports and memoranda concerning the insurance coverage to the Kraft insurance firm.

Then between Nov. 3, 1971 and Jan. 3, 1974, the Kraft firm made out at

(Continued Back of A Section)



# 2 Former Councilmen Indicted

APR 13 1976 TU



least six checks to Roche totaling \$12,331.73, the indictment states.

The indictment states that the extortion of BSI for the insurance commissions deprived BSI of its right to freely contract with an insurance agency of its choice. It also states that the extortion deprived the Bercu Insurance Agency of Cleveland of its right to solicit business from and to contract with BSI.

The extortion scheme was executed with the consent of the agent or representative of BSI, the indictment states. But the consent was "induced by the wrongful use of fear of economic harm and under color of official right."

Richard Kraft, head of the Kraft agency, told a Times-Union reporter in 1973 that he got the insurance business from BSI after being introduced to BSI's Gressel by John P. "Tony" Redmond, Parrinello's law partner. Kraft wasn't charged by the grand jury with any wrong doing.

Roche told the reporter that his association with the Kraft firm was

"a sideline" and that the commissions he received from the Kraft firm amounted to not much more than his councilman's salary of \$7,500 a year.

In 1973 the city board of ethics and a Monroe County grand jury took up the question of whether Parrinello in representing BSI, had violated a law that prohibits certain interests or ownership by public officers and requires written disclosure of ownership.

Roche was one of the five members of the city's ethics board and participated in the ethics board discussion. The ethics board and the Monroe County grand jury both cleared Parrinello of wrong doing.

A federal grand jury has been investigating Parrinello and Roche since October, 1974. The investigation has been led by L. George Parry, head of the federal Organized Crime Strike Force, and FBI agent Peter Jacobson.

Last November, the same grand jury indicted a local carpet salesman, Daniel L. Bookless, and charged him with lying to the jury when he denied that Parrinello and two others received free carpeting as part of a kickback scheme.

According to that indictment, Bookless arranged with the head of a carpet firm for Parrinello, Redmond and Donald R. Dileo, former local project manager for BSI, to have the carpeting installed in their homes without payment. That case hasn't been prosecuted yet.

In today's federal indictment, Parrinello and Roche are charged with one count of conspiracy to extort, and both are charged in one count of extortion.

Parrinello is also charged in a separate count of extortion. Both are also charged with mail fraud (stemming from the mailing of the checks), and Parrinello is charged in a separate mail fraud count. And both are charged with conspiracy to commit mail fraud.

The extortion charges carry sentences of up to 20 years in prison or a \$10,000 fine or both on each of the counts on conviction.

Mail fraud carries sentences of up to five years in prison or a \$1,000 fine or both on each count on conviction. Conspiracy to commit mail fraud carries a sentence of up to five years in jail or a \$10,000 fine or both, on conviction.

## Parrinello

## Roche plead innocent

APR 27 1976 DC

By DAN LOVELY  
D&C Staff Writer

Former Rochester City Councilmen John R. Parrinello and Michael W. Roche yesterday pleaded innocent to federal charges of extortion, conspiracy and mail fraud.

Each was released on \$5,000 personal recognizance bond after being arraigned before U.S. District Court Judge Harold P. Burke. This type of bond doesn't require cash from the defendant. It represents a promise by the defendant to pay if he doesn't show up in court.

Parrinello and Roche were indicted April 13 by a federal grand jury on charges of extorting payments from a Cleveland construction firm.

The firm, Building Systems, Inc., built more than \$35 million worth of Rochester public housing that required City Council approval at various stages.

Parrinello, 37, lives at 334 San Gabriel Drive. Roche, 38, lives at 289 Chesterfield Drive. Both were Republican councilmen from 1970 through 1973, and Parrinello was vice mayor in 1972-73.

Roche refused comment after the arraignment. Parrinello issued a prepared statement declaring his innocence.

The statement said in part:

"For the past 2½ years I have presented the truth to the prosecutor and others who turned a deaf ear to my facts. I intend to present those

## EX-COUNCILMEN

From Page 1A

facts at the trial of this matter and am confident an impartial jury will vindicate me.

"The response to these dreadful charges by my family and friends has been very heartening to me, and I thank them all very much for their understanding and confidence."

Parrinello and Roche are both charged with one count of extortion, one count of conspiracy to extort, one count of mail fraud and one count of conspiracy to commit mail fraud.

Parrinello also is charged with an additional count of extortion and mail fraud.

The grand jury indictment alleged Building Systems agreed to pay Parrinello's law firm \$65,300. It also alleged the company agreed to pay \$16,799 in insurance commissions and listed payments allegedly made to Roche.

The indictment alleged the payments were "induced by the wrongful use of fear of economic harm and made under color of official right."

The indictment covered a period from January 1970 through Jan. 1, 1973. Parrinello's law firm represented Building Systems during his council term. Roche, during his term, worked part time for an insurance agency that handled part of the corporation's insurance.

The extortion charges carry maximum sentences on each count of 20 years in prison and a \$10,000 fine. Conspiracy to commit mail fraud carries a maximum penalty of five years and \$10,000 and mail fraud a maximum of five years and \$1,000.



# Judge Won't Void Indictment of NOV 19 1976 TU Parrinello, Roche

U.S. District Court Judge Harold P. Burke today denied a request to dismiss an indictment against former City Councilmen John R. Parrinello and Michael W. Roche. The indictment charges them with conspiracy, extortion and mail fraud.

Parrinello had asked U.S. District Court Judge Harold P. Burke to dismiss the indictment on the grounds of prosecutorial misconduct.

He charged that the Justice Department deliberately disclosed to the media the identity of witnesses who appeared before the grand jury that handed up the indictment. And he charged that the Justice Department released the substance of the grand jury testimony and information concerning the likelihood of an indictment.

In his ruling today, Judge Burke made no comment on the charges.

Parrinello, 37, of 334 San Gabriel Dr., and Roche, 38, of 269 Chesterfield Dr., were indicted by a federal grand jury April 13. The charges stemmed from business dealings prosecutors say the former councilmen had with Building Systems Inc., a Cleveland firm which constructed four publicly financed apartment projects in Rochester.

Judge Burke also ruled today that the results of a polygraph (lie detector) test Parrinello took will not be allowed to be entered as evidence in the trial.

According to papers filed with the court, Parrinello took two polygraph tests in March. The tests were administered by a private firm called Scientific Lie Detection Inc.

The papers say that the five questions Parrinello was asked in the polygraph tests were written by his lawyer, Edward M. Shaw.

The president of the lie detector company signed a letter saying the tests found that Parrinello had given truthful answers concerning allegations made in the indictment.

Four of the five questions concerned meetings with Alan Gressel, head of the Building Systems subsidiary in New York.

Judge Burke also denied Parrinello's request for a list of the government's witnesses who will be testifying at the trial.

Parrinello was granted permission to inspect certain documents and to receive a copy of his testimony to the grand jury on the morning of the day of the indictment. He also was granted permission to receive any evidence that may have been gathered that might show he was innocent of the charges.

UNITED STATES DISTRICT COURT  
WESTERN DISTRICT OF NEW YORK

UNITED STATES OF AMERICA,

Plaintiff,

-vs-

JOHN PARRINELLO,

Defendant.

CR. 76-51

GOVERNMENT'S ANSWER TO DEFENDANT PARRINELLO'S  
DEMAND FOR A WITNESS LIST

The United States of America, by and through its attorneys, Richard J. Arcara, United States Attorney for the Western District of New York, and Gregory A. Baldwin, Department of Justice Attorney, hereby submits the following answer to the Defendant Parrinello's demand for a witness list:

On July 26, 1976, the Defendant Parrinello orally requested that this Court order the Government to provide him with a list of the witnesses which the Government intends to call at trial. This request was based upon the case of United States v. Cannone, 528 F.2d 296 (2d Cir., 1975).

The Government declines to provide the Defendant with the requested list. In United States v. Cannone, *supra*, the Second Circuit ruled that District Courts have the discretionary power to enter an Order requiring the Government to disclose the identities of its witnesses. Initially, the Court held that once the defense requests such disclosure, the Government bears the burden of making a prima facie showing that such disclosure would not be in the interest of justice. On February 17, 1976, that portion of the Cannone opinion relating to the question of which party bears the burden of establishing whether disclosure would be



2

in the best interests of justice was stricken by the Court of Appeals from the original opinion. The language stricken by the court includes those portions which the Government believes the defendant is relying upon in support of his demand for a witness list. The Cannone opinion as modified now stands for the proposition that, while District Courts have discretion to order pre-trial disclosure of Government witnesses, it would be an abuse of discretion to order such disclosure where the defense does not make some showing of need, materiality and responsiveness in support of its demand, especially where the Government shows that such disclosure will not be in the interests of justice. While the Government submits that this Court should deny disclosure of witnesses here because the Defendant has made no showing of need, materiality and responsiveness, the Government also states that even if that required showing were made, such disclosure would not be in the interests of justice.

In this regard, the Government states that several of its witnesses have expressed reluctance to testify in these proceedings based on a fear of retribution by the Defendant Parrinello and his associates. For example, during the course of the investigation leading up to the indictment, it was determined that the defendant, together with his law partner, John Redmond, and his clients, Michael Ferrauilo and Louis Bacchetta, had formed a contracting firm named Ridgeway Developers, Inc. (Ridgeway). It was further determined that the defendant was a one-fourth owner of Ridgeway while he was serving as a Rochester City Councilman and as legal counsel for Building Systems, Inc. (BSI), a Cleveland, Ohio construction company which was engaged in the construction of public housing in Rochester. Nevertheless, in connection with the City of Rochester Hudson Avenue housing project, BSI awarded an electrical subcontract to C&R Electrical, a legitimate electrical

subcontractor. Shortly thereafter, Ridgeway made a series of secret kickbacks to Donald Dilenio, BSI manager on the Hudson Avenue project. As a result, BSI then canceled the electrical subcontract with C&R Electrical. BSI then contracted for the same electrical work with Ridgeway at a price \$50,000 over and above the price that had been obtained from C&R Electrical. Ridgeway then re-let the electrical subcontract to C&R Electrical at a price \$12,000 below BSI's original price with C&R Electrical. Thus, Ridgeway made \$62,000 for having done nothing more than paying off Dilenio.

Francis Catalano, one of the partners in C&R Electrical, has provided the F.B.I. with a statement setting forth his knowledge of the above. More importantly, however, Catalano alleges in that statement that during the New York State Organized Crime Task Force investigation of the Defendant Parrinello, he was approached by John Redmond, the defendant's law partner and business associate, and told to remain silent about the Ridgeway electrical subcontract or else Redmond would have a "contract" put out on him. Redmond further stated that the \$12,000 which Ridgeway had taken out of C&R Electrical's subcontract was needed to pay off certain unnamed Rochester City Councilmen. This contact with Redmond placed Catalano in fear and made him reluctant to cooperate with state and federal law enforcement authorities in their investigations of Parrinello.

Another example of the pervasive fear which has hampered this investigation and which militates against providing the defendant with a list of government witnesses involves one Daniel Bookless. By way of background, in 1970 the Rochester Housing Authority contracted with BSI for the construction of the Hudson Avenue Project. BSI, through Donald Dilenio, subcontracted each and every phase of the contract process including the flooring installation which was awarded to Imperial Floor Fashions (IFF). Milton Jachles, the owner of IFF, has given a statement to the F.B.I. in which he alleges that free carpeting with an approximate value of \$9,600 was given to the Defendant Parrinello and Redmond as a means of obtaining flooring



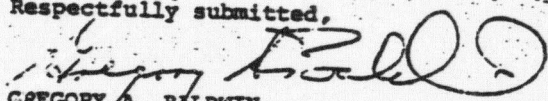
Immediately after he agreed to provide this information to the Government, Jachles expressed great fear for the safety of himself and his family and stated that he was afraid to testify against the Defendant Parrinello, Redmond and Bookless. In this regard on December 15, 1975, Bookless was shot once in the head with a 38 caliber pistol and left for dead. Sometime later Bookless regained consciousness and drove himself to the hospital and was admitted in critical condition. While in the hospital Bookless was interviewed by members of the Rochester Police and the F.B.I. During these interviews Bookless repeatedly identified his assailant as one William Barton and agreed to testify against him. Consequently, Barton was arrested and charged with attempted murder. Shortly before the preliminary hearing at which he had agreed to testify, Bookless was visited in the hospital by the Defendant Parrinello. Following this meeting with the defendant, Bookless advised the police that he had been confused when he had identified Barton as his assailant and that he would not testify. The preliminary hearing was nevertheless held and Bookless, under oath, denied that he had been shot by Barton. Several of the Government's witnesses have expressed concern for their own safety as a result of the Bookless shooting and what they perceive to be Parrinello's apparent connection with Bookless and the criminal element with which Bookless associates. Moreover, two of the witnesses against Bookless in the upcoming federal perjury trial have received anonymous threats to their safety. In this regard, it should be noted that Bookless was indicted on the basis of his denial before the Federal Grand Jury that the Defendant Parrinello received carpeting from IFP as a kickback. Accordingly, the defendant would be an indirect beneficiary of any failure by the Government's witnesses to testify against Bookless due to threats of intimidation of those witnesses.

4

In United States v. Cannone, supra, even prior to its modification on February 17, 1976, the Second Circuit reversed the District Court's order that the Government provide a list of witnesses where the Government had previously informed the Court that two of the eleven defendants in that case were under indictment for beating a Grand Jury witness. The Court of Appeals found that the Court had abused its discretion in ordering the list of witnesses to be provided to the defense. The Court reached this result even after a standing that the defense need make no showing of need, materiality or responsibility in support of its demand for disclosure. That opinion has, as noted, been modified to now require such a showing. In this case the Defendant has not made any showing of need, materiality or responsibility, and the Government submits that the above facts point to a real potential for intimidation of Government witnesses should their names and addresses be made available to the defense. In the interests of justice, and because the Defendant has not made the necessary showing, the Defendant's request should be denied.

Dated at Rochester, New York, September 8, 1976.

Respectfully submitted,

  
GREGORY A. BALDWIN  
Department of Justice Attorney



EDWARD M. SHAW

ATTORNEY AT LAW  
822 FIFTH AVENUE  
NEW YORK, N. Y. 10038

TEL:  
1212-50

November 4, 1976

Honorable Harold Burke  
United States District Judge  
United States Courthouse  
100 State Street  
Rochester, New York 14614

Re: United States v. Parinello and Roche

Dear Judge Burke:

In its response to Mr. Parrinello's request that he be supplied with the names of government witnesses, the government has submitted to the Court statements which are both false and extraordinarily prejudicial to Mr. Parrinello. Although the information in the government's papers is unsworn heresay, I am anxious that our response to those statements be on the record, because they are so obviously harmful to Mr. Parrinello.

The government states, at pages 2-3 of its response of September 8, 1976, that Mr. Parrinello's law partner threatened a man named Catalano that a "contract" would be "put out on him" if he gave information to the government about a firm called Ridgeway Developers, and implies that Messrs. Redmond and Parrinello made a series of payoffs to a man named Dileo in connection with Ridgeway business. It is true that Mr. Parrinello and Mr. Redmond were one-quarter partners in Ridgeway. However, it is not true either that any threats whatsoever or any payoffs were made. Mr. Redmond and Mr. Parrinello will provide the Court with affidavits

on this matter if the Court deems it relevant in connection with Mr. Parrinello's request for a witness list.

Secondly, the government hints at pages 3-4 of its papers that Mr. Parrinello improperly influenced one Daniel Bookless, a shooting victim, to withdraw information he had given as to his assailant. That accusation, apparently based on the fact that Mr. Parrinello visited Mr. Bookless while he was in the hospital after the shooting, is utterly false. Mr. Parrinello had represented Bookless as an attorney in civil matters. His visit was the result of requests made by the hospital and by Lt. Louis Campanozzi, head of the Rochester Police Department's Physical Crimes Bureau. Bookless had in fact withdrawn his statement identifying his assailant before Mr. Parrinello's visit, and Lt. Campanozzi was present with Mr. Parrinello and Bookless in the hospital while Mr. Parrinello urged Bookless to cooperate with the police in correctly identifying his assailant.

Finally, the government's efforts to link this episode with some allegation against Mr. Parrinello concerning payoffs relating to carpeting done at his home is unfair in the extreme. The government has for more than two years thoroughly investigated any claims of possible bribery concerning both Ridgeway Developers and the carpeting installed in Mr. Parrinello's home, and no charges have ever been returned. Mr. Parrinello is willing to provide the Court with an affidavit on this portion of the government's papers as well.

I should also note that the government's attempt to find reasons to prevent us from obtaining a complete list of witnesses is an obvious afterthought, since prior to the indictment the prosecutors in charge of this case advised me, with no reluctance whatsoever, as to the names of several persons whom they appear to regard as key witnesses.

The statements in the government's papers represent nothing more than unsupported innuendo. We explicitly deny

Honorable Harold Burke

3.

them and repeat our request to be supplied with the names of government witnesses.

Respectfully yours,

EMS:hb

Edward M. Shaw



NOV 30 1976 TU

# Witnesses Reluctant to Testify in Parrinello Case, Strike Force Says

By NANCY KREISLER

Witnesses who are to appear in the upcoming trial of former city councilman John R. Parrinello have expressed reluctance to testify based on a fear of retribution, Federal Organized Crime Strike Force officials have charged.

However, Parrinello's lawyer, Edward M. Shaw, has said the charges are "both false and extraordinarily prejudicial to Mr. Parrinello."

The Strike Force charges were made in a legal brief submitted to U.S. District Court Judge Harold P. Burke. The brief was filed in response to a request by Parrinello that he be given a list of the witnesses who are to appear at the trial.

Parrinello's lawyer, Shaw, says that information in the government's brief is "unsworn hearsay."

Parrinello, 37, of 334 San Gabriel Dr., was indicted by a federal grand jury April 13. He was charged with conspiracy, extortion and mail fraud.

The charges in the indictment stemmed from business dealings prosecutors say the former councilman had with Building Systems Inc., a Cleveland firm which constructed four publicly financed apartment projects in Rochester.

In the brief filed with the court, the Strike Force said that "several of its witnesses have expressed reluctance to testify in these proceedings based on a fear of retribution by the defendant Parrinello and his associates."

Two examples are given of the alleged reluctance to testify.

The Strike Force brief says Parrin-

cillo and three others formed a contracting firm named Ridgeway Developers Inc. Others in the firm, according to the Strike Force brief, were John Redmond, who is Parrinello's law partner, and Michael Ferrauilo and Louis Bacchetta. The Strike Force says in its brief that both Ferrauilo and Bacchetta were clients of the Parrinello and Redmond law firm.

At the time the contracting firm was organized, the brief says, Parrinello was a city councilman and legal

counsel for Building Systems Inc.

Building Systems at first awarded an electrical subcontract to C&R Electrical, the brief says. But shortly after that, Ridgeway made a "series of secret kickbacks to Donald Dileo," the Building Systems manager on the Hudson Avenue project, the Strike Force brief charges.

As a result, the brief says, Building Systems then cancelled the subcontract with C&R Electrical and contracted for the same work with Ridgeway at a price \$50,000 higher.

(Continued on 3B)

## Witnesses Reluctant to Testify In Case, Strike Force Says

(Continued from 1B)

than the original subcontract.

Ridgeway then re-let the electrical subcontract to C&R Electrical at a price \$12,000 below its original figure, the brief says.

"Thus Ridgeway made \$62,000 for having done nothing more than paying off Dileo," the brief states.

One of the partners in C&R Electrical, Francis Catalano, provided a statement about these deals to the FBI, the brief states.

In the statement to the FBI, Catalano alleged that during a New York State Organized Crime Task Force investigation of Parrinello, he was approached by Redmond, the brief states.

Redmond allegedly told Catalano to remain silent about the Ridgeway electrical subcontract or else Redmond would have a "contract" put out on him, the brief states.

The brief also states that Redmond allegedly told Catalano that the \$12,000 which Ridgeway had taken out of C&R Electrical's subcontract "was needed to pay off certain unnamed Rochester City Councilmen."

Yesterday The Times-Union asked Redmond about the charges contained in the Strike Force brief. He denied the charges and said they were "ridiculous."

Parrinello's lawyer, Shaw, responding to the charges in a letter sent to Judge Burke, said that it was true that Parrinello and Redmond were one-quarter partners in Ridgeway.

"However, it is not true either that any threats whatsoever or any payoffs were made," Shaw's letter states. He added that Parrinello would provide the court with affidavits on the matter if requested to do so.

The Strike Force brief says that the second example of fear felt by witnesses concerns Daniel Bookless.

In 1970 the Rochester Housing Authority contracted with Building Systems for the construction of the Hudson Avenue project. Donald Dileo, the manager of the project for Building Systems, was responsible for awarding the subcontracts.

The subcontract for flooring installation was awarded to Imperial Floor Fashions, the brief states. The owner of the company, Milton Jachles, gave a statement to the FBI in which he alleges that free carpeting with an approximate value of \$9,600 was given to Parrinello and Redmond as a means of obtaining flooring subcontracts from Building Systems, the brief states.

"The payoff was arranged through Bookless," the brief says.

Immediately after Jachles provided the information to the FBI, the brief says, Jachles "expressed great fear for the safety of himself and his family and stated that he was afraid to testify against defendant Parrinello, Redmond and Bookless."

Lawyer Shaw called this allegation against Parrinello concerning payoffs relating to carpeting done at his home "unfair in the extreme."

"The government has for more than two years thoroughly investigated any claims of possible bribery concerning both Ridgeway Developers and the carpeting installed in Mr. Parrinello's home, and no charges have ever been returned," Shaw's letter states.

(Bookless was charged last November with perjury before a federal grand jury when he denied that Parrinello, Redmond and Dileo received free carpeting as part of a kickback scheme.)

On Dec. 15 last year Bookless was shot once in the head and left for dead. Sometime later he regained consciousness and drove to the hospital, where he recovered.

The Strike Force brief states that while Bookless was in the hospital he was interviewed by members of the Rochester Police and the FBI.

During those interviews, the brief states, Bookless identified his assailant as William Barton and agreed to testify against him, the brief states. Barton was arrested and charged with attempted murder.

Shortly before the preliminary hearing at which Bookless had agreed to testify, Bookless was visited at the hospital by Parrinello, the brief states.

"Following this meeting with the defendant (Parrinello), Bookless advised the police that he had been confused when he identified Barton as his assailant and that he would not testify," the brief states.

The preliminary hearing was held, and Bookless, under oath, denied that he had been shot by Barton, the brief states.

(The charges against Barton were then dismissed in City Court.)

"Several of the government's witnesses have expressed concern for their own safety as a result of the Bookless shooting and what they perceive to be Parrinello's apparent connection with Bookless and the criminal element with which Bookless associates," the Strike Force brief states.

"Moreover, two of the witnesses against Bookless in the upcoming federal perjury trial have received anonymous threats to their safety," the brief continues.

Shaw called the accusation about Parrinello and Bookless "utterly false," in his letter to the judge.

"Mr. Parrinello had represented Bookless as an attorney in civil matters. His visit was the result of requests made by the hospital and by Lt. Louis Campanozzi, head of the Rochester Police Department's Physical Crimes Bureau," Shaw states in the letter.

"Bookless had in fact withdrawn his statement identifying his assailant before Mr. Parrinello's visit, and Lt. Campanozzi was present with Mr. Parrinello and Bookless in the hospital while Mr. Parrinello urged Bookless to cooperate with police in correctly identifying his assailant," Shaw continued.

In conclusion, Shaw stated, "The statements in the government's papers represent nothing more than unsupported innuendo. We explicitly deny them and repeat our request to be supplied with the names of government witnesses."

The Times-Union asked Lt. Campanozzi to comment on the charges made about Bookless and Parrinello. Lt. Campanozzi said he couldn't comment about a pending case.

On Nov. 18, Judge Burke denied Parrinello's request for the names of government witnesses. No date for a trial has been set.



# Brief: Victim silent after Parrinello visit

By JIM ROWLEY

DEC 1 1976 DC

Former Rochester Vice Mayor John R. Parrinello visited one-time carpet salesman Daniel L. Bookless at Strong Memorial Hospital after Bookless was shot in the head last December, according to a federal prosecution legal brief on file in U.S. District Court.

The brief alleges that Parrinello — under federal indictment for extortion, conspiracy and mail fraud — paid the hospital visit not long before Bookless was scheduled to identify his assailant at a City Court hearing.

The brief said that Bookless had been interviewed by Rochester police and the FBI before Parrinello's visit and had identified his assailant then as William B. (Billy) Barton.

But after Parrinello's visit, the brief alleges, Bookless told police he wouldn't identify Barton as the assailant.

"Following this meeting with the defendant, Bookless advised the police that he had been confused when he

had identified Barton as his assailant and that he would not testify," the brief said. "The preliminary hearing was nevertheless held and Bookless, under oath, denied he had been shot by Barton."

Charges of attempted murder against Barton were dropped after Bookless' refusal.

The prosecution memo was filed by the U.S. Organized Crime Strike Force in response to Parrinello's request that he be given a list of government witnesses in the case against him.

The memo urged U.S. District Court Judge Harold P. Burke not to grant Parrinello's request because several prosecution witnesses "have expressed reluctance to testify ... based on a fear of retribution by the defendant Parrinello and his associates."

Parrinello's lawyer, Edward M. Shaw, denied the prosecution's allegations in a Nov. 4 letter to Judge Burke. Shaw said Parrinello visited Bookless as the latter's attorney in a civil matter and spoke to him only in the presence of Rochester Police Lt. Louis Campanozzi.

Shaw says Parrinello made the visit after Bookless had said he wouldn't identify Barton. Parrinello urged Bookless to co-operate with Campanozzi and other detectives investigating the shooting, Shaw said in the letter.

Campanozzi yesterday said he wouldn't comment about the incident because it involves a pending case.

Burke denied Parrinello's motion for the witness list.

Bookless, 43, was shot in the head with a .38-caliber pistol on Dec. 19, 1975, and left for dead. He later regained consciousness and drove himself to Strong Memorial Hospital where doctors removed his left eye.

Bookless himself is charged with lying to a federal grand jury that investigated charges of payment of kickbacks to Parrinello and his law partner John Redmond.

A federal grand jury indicted Bookless on four counts of perjury and his trial in U.S. District Court begins here next Tuesday.

A similar prosecution brief filed in the Bookless case earlier this year states that several people including a government witness, received death threats after the Dec. 19 shooting.

The anonymous callers referred to the Bookless shooting and said, "You're next," the brief filed in the Bookless case said.

Parrinello, 37, is charged with conspiracy, bribery and mail fraud in connection with alleged kickbacks

from a Cleveland, Ohio, construction firm that built more than \$35-million worth of public housing in Rochester while Parrinello was on City Council.

Parrinello and Redmond represented the construction firm, Building Systems Inc., which was awarded the city housing contracts.

Bookless was questioned by a federal grand jury about his alleged role in arranging a payoff to Parrinello and Redmond in the form of free carpeting in return for a carpeting subcontract from Building Systems.

The prosecution memo notes that Milton Jachles, president of Imperial Floor Fashions, the firm which sought the carpet subcontract, told the FBI that Parrinello and Redmond were given free carpeting worth \$9,600.

Bookless sold carpets for Jachles.

But after Jachles talked to the FBI, he "expressed great fear for the safety of himself and his family and stated that he was afraid to testify against the defendants Parrinello, Redmond and Bookless," the memo says.

UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

In RE :  
GANNETT CO., INC., :  
Petitioner, :  
-vs- : AFFIDAVIT  
HON. HAROLD P. BURKE, Judge of :  
the United States District Court, :  
Western District of New York, :  
THE UNITED STATES OF AMERICA, :  
LLOYD GEROGE PARRY, :  
GREGORY A. BALDWIN, :  
DEPARTMENT OF JUSTICE ATTORNEYS :  
and :  
JOHN R. PARRINELLO, :  
MICHAEL W. ROCHE, :  
DANIEL L. BOOKLESS, :  
DONALD R. DILENO, :  
Respondents. :

STATE OF NEW YORK:  
COUNTY OF MONROE : SS.  
CITY OF ROCHESTER:

NANCY KREISLER, being duly sworn, deposes and says  
that:

1. I am a reporter for the Times-Union newspaper,  
published by petitioner Gannett Co., Inc., and I am familiar with  
the facts set forth in the foregoing Petition involving the  
sealing and closing of the files in United States v. Parrinello



and Roche (CR. 76-51), United States v. Bookless (CR. 75-245) and United States v. Dilenio (CR. 75-238).

2. On December 8, 1976, accompanied by a reporter from the Democrat & Chronicle newspaper, Sheridan Lyons, I went to the chambers of respondent Hon. Harold P. Burke, Judge of the United States District Court for the Western District of New York, and asked Janet E. Mulley, secretary to Judge Burke, whether the files in United States v. Parrinello and Roche and United States v. Bookless were sealed to the public and the press. Mrs. Mulley stated that, at the oral direction of Judge Burke, three criminal action files had been sealed and closed to public scrutiny and inspection. Upon questioning, Mrs. Mulley confirmed that Judge Burke had directed the United States v. Dilenio, Parrinello and Roche, and Bookless files sealed. When asked if there was a written order sealing the files, Mrs. Mulley stated that there was not. She also stated that respondent Gregory A. Baldwin had submitted a written request to Judge Burke to seal the files, and that the Baldwin letter of request was also sealed and unavailable for public inspection.

Nancy Kreisler  
NANCY KREISLER

Sworn to before me on  
December 28, 1976.

Robert C. Bernier

Notary Public

ROBERT C. BERNIER

Notary, State of New York

My Comm. Expires March 10, 1978

